

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

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

### APPLICANT INFORMATION

|                              |                                                                                                                                                                                                                |                  |                                                                                                 |
|------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|-------------------------------------------------------------------------------------------------|
| Development Name:            | Element Collective                                                                                                                                                                                             |                  |                                                                                                 |
|                              | 5546 and 5534<br>Element Way<br>Madison, Wisconsin<br>53719                                                                                                                                                    |                  |                                                                                                 |
| Site Address:                |                                                                                                                                                                                                                |                  |                                                                                                 |
| Amount of Funds Requested:   | \$5,296,419                                                                                                                                                                                                    | Type of Project: | <input checked="" type="checkbox"/> New Construction <input type="checkbox"/> Acquisition/Rehab |
| Lead Applicant:              | EC Residential LLC                                                                                                                                                                                             |                  |                                                                                                 |
| Mailing Address:             | 330 East Kilbourn Avenue, Suite 600, Milwaukee, WI 53202                                                                                                                                                       |                  |                                                                                                 |
| Telephone:                   | (414) 270-2764                                                                                                                                                                                                 |                  |                                                                                                 |
| Admin Contact:               | Dan Katt                                                                                                                                                                                                       | Email Address:   | dkatt@mandelgroup.com                                                                           |
| Lead Project Contact:        | Bob Monnat                                                                                                                                                                                                     | Email Address:   | rbmonnat@mandelgroup.com                                                                        |
| Financial Contact:           | Angie Achenbach                                                                                                                                                                                                | Email Address:   | aachenbach@mandelgroup.com                                                                      |
| Website:                     | www.mandelgroup.com                                                                                                                                                                                            |                  |                                                                                                 |
| Legal Status of Maj. Owner:  | <input checked="" type="checkbox"/> For-profit <input type="checkbox"/> Non-profit    LIHTC Application: <input checked="" type="checkbox"/> 4% only <input type="checkbox"/> 4+4% <input type="checkbox"/> 9% |                  |                                                                                                 |
| Anticipated WHEDA Set-Aside: | <input checked="" type="checkbox"/> General <input type="checkbox"/> Preservation <input type="checkbox"/> Non-Profit <input type="checkbox"/> Supportive Housing                                              |                  |                                                                                                 |
| Federal EIN:                 | 87-1840688                                                                                                                                                                                                     | SAM/<br>UEI #:   | *                                                                                               |

\* If seeking federal funds

### AFFIRMATIVE ACTION

If funded, applicant hereby agrees to comply with the City of Madison Ordinance 39.02 and file an Individual Developer Affirmative Action Plan with the Department of Civil Rights. A Model Affirmative Action Plan and instructions are available at <https://www.cityofmadison.com/civil-rights/contract-compliance/affirmative-action-plan/individual-developers>.

### LOBBYING RESIGTRATION

Notice regarding lobbying ordinance: If you are seeking approval of a development that has over 40,000 gross square feet of non-residential space, or a residential development of over 10 dwelling units, or if you are seeking assistance from the City with a value of over \$10,000 (this includes grants, loans, TIF, or similar assistance), then you likely are subject to Madison's lobbying ordinance, sec. 2.40, MGO. **You are required to register and report your lobbying** by registering with the City Clerk's at <https://www.cityofmadison.com/clerk/lobbyists/lobbyist-registration>. Please consult the City Clerk for more information. Failure to comply with the lobbying ordinance may result in fines of \$1,000 to \$5,000.

### CITY OF MADISON CONTRACTS

If funded, applicant agrees to comply with all applicable local, state and federal provisions. A sample contract that includes standard provisions may be obtained on the Community Development Division Funding Opportunities Website for this RFP.

If funded, the City of Madison reserves the right to negotiate the final terms of a contract with the selected agency.

### SIGNATURE OF APPLICANT

Enter Name: Dan Katt                      Date: 8/1/2024

By submitting this application, I affirm that the statements and representations are true to the best of my knowledge.

By entering your initials in this box  you are electronically signing your name as the submitter of the application and agree to the terms listed above.

## AFFORDABLE HOUSING GOALS & OBJECTIVES

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

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

## AFFORDABLE HOUSING NEEDS, BENEFIT AND RISK

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

Currently, the City of Madison housing market features rising home prices driven by high demand and lagging supply, leading to a competitive environment that severely disadvantages Madison residents earning salaries below the median income. For example, Redfin and Realtor.com note that the 2024 median sale prices range from \$440,000 to \$450,000, representing an annual year-over-year increase of nearly 11.5%, and homes in the surrounding area routinely sell over asking. More specifically, the City's West Side has benefitted from significant economic growth and strong employment demand, resulting in a substantial increase in high-income households, rising housing costs, and an exceptionally competitive housing environment. Lower- and middle-income families are facing a dearth of affordable home ownership opportunities.

As such, the percentage of renter households growth (2.4% annually compounded) has outpaced owner-household growth (0.9%) over the last decade, and the City is witnessing displacement out of the City to areas with limited or no reliable public transportation. Similarly, multifamily deliveries throughout Madison disproportionately target high-income residents and are not affordable to median- and low-income renters. These populations are forced to compete for rental units in buildings with older vintages (ca. 1940 to 1989), of marginal quality or located in less desirable settings and having less strategic public transit resources.

Per the City of Madison's "New Housing Snapshot," nearly half of renter households in the City of Madison spend over 30% of their income on housing. The need for affordable housing in Madison is apparent, particularly in high-income areas like Madison's West Side, where a dearth of affordable housing opportunities exist. In particular, the need exists on the West Side to position affordable housing within easy walking distance of the BRT system for carless access to employment, education, and other destinations throughout the City.

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

Element Collective will provide 197 new affordable rental units with ground-floor commercial space in University Research Park on the west side of Madison and will occupy a vacant /undeveloped site immediately adjacent to the new Bus Rapid Transit system. It is projected \$350,000 annually in property tax revenue that will be captured by the existing TIF district within which the project is located.

## PROPOSAL DESCRIPTION

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

The goal of the project is to enhance the park as a live-work-learn-play environment by incorporating a mix of new housing and commercial uses serving the research park and the immediate market. The specific goal of Element Collective is to reduce reliance on driving for any/all daily needs and increase the competitiveness of URP, such that it will be able to meet modern research park standards and compete for new growth in the Madison metro market - a growing percentage of which are being diverted to car-centric suburban locations.

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

Type of Construction: ☒ New Construction

☐ Acquisition/Rehab or Preservation

Type of Project: ☒ Multi-family

☐ Senior (55+ or 62+ yr. old): \_\_\_\_\_

Total number of units: **197**

Total number affordable of units ( $\leq 60\%$  CMI): **144**

Total % affordable of units ( $\leq 60\%$  CMI): **73.1%**

Total amount of AHF requested per affordable unit: **\$36,773.74**

Number of units supported by Section 8 project-based vouchers, if known: **0**

PBV CMI level: **N/A**

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

☒ Yes, I confirm.

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

N/A

8. Period of Affordability Commitment:

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

☒ 40 years – Minimum Commitment

9. Will the development team commit to making annual payments on the AHF Cash Flow Note concurrently with repayment of the deferred developer fee? If yes, explain how this will be memorialized in organizational documents, including the final Amended and Restated Operating Agreement. If not, what year will Cash Flow Payments begin?

Yes. Annual payments will be made to satisfy the AHF Cash Flow Note from the deferred developer fee or from excess cash flow once the deferred developer fee has been fully paid. The development entity operating agreement will outline this process.

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

No

## SITE INFORMATION

11. Address of Proposed Site: **5546 and 5534 Element Way Madison, Wisconsin 53719**

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

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

13. Identify the neighborhood in which the site is located: **University Research Park**

14. Date Site Control Secured: **9/10/2019**

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

The site was chosen to further develop University Research Park into a more sustainable, collaborative community. There will be 144 units of  $<60\%$  CMI to expand affordable housing opportunities in the area. University Research Park is home to about 125 companies that employ approximately 4,100 workers in laboratory, biotechnology, pharmaceutical, research, engineering, and related roles. Additionally, walkable employment concentrations in the near vicinity include the 1,900 person CUNA Mutual campus directly across Mineral Point Road.

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

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

☐ Yes ☒ No, it's permissively zoned ☐ To be determined

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

Zoning and Conditional Use approvals were secured on 8/23/2021. Currently seeking minor staff-level alterations to Conditional Use approvals with Staff to (1) increase the originally proposed unit count and (2) remove a formerly planned pool and pool house. No additional legislative approvals are required to complete these alterations.

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

In the City of Madison Generalized Future Land Use Map, the defined area is described as Community Mixed-Use which is congruent to our projects plans. In particular, Element Collective fulfills the City's stated objective of locating and realizing higher density housing and development solutions that are in direct proximity fronting the new BRT system facilities and routing.

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

N/A

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

| Type of Amenities & Services                                               | Name of Facility                               | Distance from Site<br>(in miles) |
|----------------------------------------------------------------------------|------------------------------------------------|----------------------------------|
| Full Service Grocery Store                                                 | Hy-Vee                                         | 0.8                              |
| Public Elementary School                                                   | Stephens Elementary                            | 0.7                              |
| Public Middle School                                                       | Gillespie Middle                               | 1.9                              |
| Public High School                                                         | Memorial High                                  | 1.9                              |
| Job-Training Facility, Community College, or Continuing Education Programs | Wisconsin Technical College                    | 1.6                              |
| Childcare                                                                  | The Learning Gardens                           | 0.2                              |
| Public Library                                                             | Meadowridge Public Library                     | 2.2                              |
| Neighborhood or Community Center                                           | African Center for Community Development       | 1                                |
| Full Service Medical Clinic or Hospital                                    | UW Health Science Medical Center               | 0.6                              |
| Pharmacy                                                                   | Walgreens                                      | 0.6                              |
| Public Park or Hiking/Biking Trail                                         | Garner Park                                    | 0.4                              |
| Banking                                                                    | First Business Bank                            | 0.1                              |
| Retail                                                                     | T.J. Maxx                                      | 0.8                              |
| B-cycle Station                                                            | UW Credit Union + Expanded URP plan            | 2.1                              |
| Other (list the amenities):                                                | Preschool of the Arts. Odana Hills Golf Course | 0.6 1.5                          |

22. What is the actual [walking](#) distance (in miles) between the proposed site and the nearest seven-day per week [transit stops](#) (i.e. weekday and weekends)? List the frequency of service at that bus stop during the weekday at noon. List the bus route(s), major transit stop street intersections and describe any other transit stops (include street intersections and schedule) located near the proposed site. Please do not include full bus schedules.

The site is only 0.2 miles away (current sidewalks not including new pathways that will provide a shorter distance) is the closest seven-day per week bus rapid transit stop, S Whitney at Mineral Point. The bus comes every 30 minutes, and travels along Route E westbound. There are four bus stops at the intersection of Mineral Point Rd and S Whitney Way, 0.2 miles away. These four bus stops facilitate both route E and route A, both eastbound and westbound.

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

Stephens Elementary School is a fourteen minute walk (0.7 miles) fully on the sidewalk and only crosses one major traffic crossing, Mineral Point Rd. The middle school and high school are in the same complex and 1.8 miles away (a 39 minute walk, a ten minute bike ride, or six minute drive). Public transit would be very accessible by a small 0.2 mile walk to the bus stop, Mineral Point at S Whitney then riding it to Mineral Point at Memorial High, then a 0.4 mile walk to the middle and high school. Altogether under 20 minutes using BRT to reach middle and high school destinations.

24. Describe the transit options for people to access employment and amenities such as childcare, after school activities, grocery stores, the nearest library, neighborhood centers, and other amenities described above.

Within 0.2 miles of the site, there are the four bus stops that run along route E and route A, both westbound and eastbound, which allows residents to travel to their employers or other various amenities throughout the city.

25. Describe the impact this housing development will have on the schools in this area. What percent are the 5-year projected capacities for the area schools? Ideal enrollment is considered 90%. Are the schools projected to be at, above, or below capacity? Approximately how many elementary and middle school children are projected to live at the proposed housing development based on the proposed unit mix and previous housing experience? See 5-year projected capacities from 2019 school capacity information found in this [Report](#) (.pdf pages 30-31). MMSD is in the process of updating this information post-pandemic. Please also e-mail Grady Brown ([kgbrown@madison.k12.wi.us](mailto:kgbrown@madison.k12.wi.us)) to obtain updated current and projected capacity for the relevant schools.

The site is located within the boundary of Madison Memorial High School, Gillespie Middle School (formerly Jefferson) and Stephens Elementary School. Based on data from the Madison Public School District, Stephens Elementary was projected to be at 79.3% utilization for the 5 year period, Gillespie was projected at 77.1% capacity. However, the high school, Madison Memorial has been operating above target capacity at nearly 95%. The Element Collective development has 42 secondary bedrooms (in 2BR and 3BR Units) so there is potential that an additional 25-35+ students could enter the district across all 13 grade levels. Given the current capacity of the schools, and likelihood that guardians with younger children are more likely to be renters, the surrounding public schools should be able to support the new student population.

## SITE AMENITIES

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

Exterior courtyard that will be programmed for outdoor recreational and sports activities and resident interaction. This space will be for use by residents and their invited guests. The buildings connect directly at grade to the extensive sidewalk system that runs throughout the University Research Park and the courtyard level ties directly to the URP recreational pathway network.

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

There will be a fully equipped fitness center, lounge with a kitchen, pet wash area and bike shop all available for resident use. A future café is planned which will be open to the public in addition to co-working space and convenience retail along Element Way.

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

There will be discounted high speed wi-fi throughout the building including in gathering areas for seamless accessibility. The units are thoughtfully planned with spacious storage and bedrooms. The kitchens will have high-quality finishes, all lighting is LED sourced and all units have large windows for natural light infiltration. Interiors of both buildings will be non-smoking. Wall and floor systems are designed to provide effective acoustical separation between units. Many units incorporate work-from-home design features.

29. In regards to parking, what is the:

|                                                                 |       |
|-----------------------------------------------------------------|-------|
| a. Anticipated number of total number parking spots:            | 164   |
| i. Underground                                                  | --164 |
| ii. Surface                                                     | --0   |
| b. Ratio of parking spots to units?                             | .83   |
| c. Monthly parking cost?                                        | \$85  |
| d. Will the parking cost in this development vary by CMI level? | No    |

Brief further comments regarding parking fees may be added here:

Additional parking is available on an as-needed basis, located on a lower-level parking level (+164 stalls) owned/operated by University Research Park. These stalls will be unreserved and likely rented for evening/weekend shared parking usage at a more affordable rate than the reserved parking that is a part of the affordable housing development.

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

Commercial space will seek to attract a business or non-profit to serve resident as well as the daytime workforce in the University Research Park. No commercial space currently exists within URP. The overall goal of Element Collective/The Catalyst District is to provide a concentration of commercial/food & beverage leasable space that serves the URP daytime population without having to drive/leave the URP environs. The secondary goal is to create a cluster of activities that bring together the URP employment population to enhance and enrich the experience for URP-located companies.

## CITY AND COMMUNITY ENGAGEMENT PROCESSES

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

On 11/19/2019 the applicant met with Staff for a pre-application and project kick off meeting. Staff was encouraging of the applicants endeavors and pleased with the efforts to densify the Research Park, incorporate public transit and properly address stormwater management. The 8.6 acre area - the "Catalyst District" - is conceived as a mixed use cluster incorporating employment, housing and supportive commercial uses. Attainment of Madison AHF support for this Element Collective project will allow us to introduce a critical concentration of affordable housing as a key part of the Catalyst District experience.

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

On 7/30/2020 the applicant met with DAT regarding the proposed project. At this meeting the team discussed the new stormwater regulations, potential road vacations for BRT, the required TDMP has since been completed and approved and fire aerial lane access requirements confirmed with MFD. The entire district was one of the first development sites to comply with the City's 200-year storm event design guidance.

33. Describe the response of the alderperson in which the proposal is located, as well as the adjacent alderperson(s), if within 200 feet of an adjacent [Aldermanic District](#). What issues or concerns with the project did they identify, if any? How will those be addressed?

On 6/27/2024 the applicant had an extremely positive meeting with Alder Guequierre of District 19. He is a strong advocate for affordable housing and believes that Element Collective is a very strong location for affordable housing units within his district. Alder Guequierre endorses this project.

34. Describe the neighborhood and community input process to date, including notification to and input from the nearby Neighborhood Association(s). What was the date that the proposal was presented to the neighborhood? If not yet completed, what is the anticipated meeting date? What issues or concerns with the project has been identified, if any? How will those be addressed? Describe the plan for continued neighborhood input on the development (e.g. steering committee, informational meetings, project website, etc.).

On 11/16/2020 the applicant, along with then-Alder Keith Furman hosted a virtual neighborhood meeting to introduce the project. Neighbor inquiries regarding traffic generation and stormwater management were addressed with adoption of the City's then-new 200-year stormwater design guidelines and preparation and submittal of a traffic impact analysis and transportation demand management plan, which were both approved by Staff as submitted.

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

We plan on issuing bi-weekly newsletters during construction and lease up. We have collected contact information for surrounding neighborhood associations and will also share these updates with City Staff and University Research Park employees

## DEVELOPMENT TEAM

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

| Contact Person   | Company      | Role in Development          | E-mail                   | Phone        |
|------------------|--------------|------------------------------|--------------------------|--------------|
| Bob Monnat       | Mandel Group | Senior Partner               | rbmonnat@mandelgroup.com | 414-270-2741 |
| Dan Katt         | Mandel Group | Development Manager          | dkatt@mandelgroup.com    | 414-270-2764 |
| Elizabeth Riedel | Mandel Group | Senior Development Associate | eriedel@mandelgroup.com  | 414-270-2608 |
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37. Describe the project's organizational structure. Please attach an organizational chart detailing the roles of the applicant, all partnerships, ownership and controlling interest percentages of each entity.

See Exhibit 1 for further information on the project organizational structure.

38. Describe briefly the Development Team's knowledge of and experience in addressing affordable housing needs of the City of Madison. Please be sure to address:
- a. Experience developing multifamily housing for low- and moderate-income households, including:
    - i. Experience obtaining and implementing LIHTC, including number, type and location of proposed and completed LIHTC projects and/or affordable housing units your organization has developed.
    - ii. Experience obtaining and implementing federal, state, city and other financing resources, including number of projects, number of units and location of projects with federal LIHTC, HOME, CDBG, or Section 108 funds.
  - b. Developer's experience with, including number of projects, number of units and location developed with integrated supportive housing units.

- c. Leadership/key development team staff qualifications (briefly). Years the organization has been in existence.
- d. Financial capacity of the organization to secure financing and complete the proposed project.
- e. For non-profit organizations and/or co-developers, please describe the organization's Mission Statement and explain how the proposed development supports the Mission Statement.

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

a) and b) Mandel Group, Inc. has been developing multi-family properties in Wisconsin for nearly 40 years and is one of the most respected development companies in the state. The company has utilized a wide range of financing mechanisms including conventional financing, TIF, New Markets Tax Credits, Historic Tax Credits, Midwest Disaster Area Recovery Bonds, tax-exempt lower floater B Bonds in lieu of equity, EPA Loans, and Brownfield Grants in its projects. Mandel has worked with WHEDA to acquire, improve and preserve affordable housing within the Madison metro market. Mandel Group has performed as a fee developer and owner's representative on LIHTC projects in the past.

Our property management company Mandel Property Services Inc. (MPSI) is an approved agent of WHEDA and currently manages affordable units (60% AMI) in our existing portfolio. MPSI has at times managed upwards of 1,000 units of housing within the Madison market, nearly all of which involved renting populations at or below 80% AMI.

We maintain strong relationships within the Madison community and are committed to assisting the City of Madison in addressing affordable housing needs. Mandel Group collaborates with local leadership, neighborhood representatives and brings to the team subject matter experts to deliver best-in-class development solutions for markets in which it develops, owns and operates apartment communities.

c) The Mandel leadership team is comprised of seasoned professionals with an extensive multifamily development knowledge and experience:

- Barry Mandel, Chairman and CEO: Nearly 40 years of experience in multifamily development across Southern Wisconsin and the Upper Midwest. Barry is a proud UW-Madison alumnus and actively participates in the Advisory Board for Graaskamp Center for Real Estate at the Wisconsin School of Business.
- Bob Monnat, Senior Partner (and former Chief Operating Officer): Bob possesses nearly four decades of experience managing large-scale multifamily projects, with a keen eye for design and a deep understanding of the multifamily development and surrounding community. A former resident of Madison and frequent guest lecturer at the Graaskamp Center for Real Estate at the Wisconsin School of Business, Bob also has appreciable ties to Madison.
- Phillip Aiello, President and Chief Operating Officer: Phillip has nearly thirty years of multifamily and finance experience. He is also a proud UW-Madison alumnus (BS, Engineering in '94; MBA, Real Estate in 2001) and often guest lectures at his alma mater.

Mandel Group, Inc., has existed for nearly 40 years, during which time the firm has consistently delivered high-quality multifamily housing projects.

d) Mandel Group possesses strong financial capacity and established relationships with local, regional, and national conventional financing providers. This has resulted in the completion of numerous best-in-class multifamily developments and continued operational excellence over the past four decades.

e) Mandel Group, Inc.'s mission is to create high-quality, sustainable multifamily housing that meets the needs of our communities. Mandel Group is deeply dedicated to community stewardship, and current initiatives include significant contributions to local charities, active participation in community planning efforts, and a strong focus on sustainability. The Mandel Group leadership team and employees collectively recognize that development extends beyond delivering multifamily structures: it involves creating thriving, inclusive communities.

The proposed development reflects the Mandel Group's dedication to these principles by ensuring all residents can access safe, affordable, and supportive living environments. Our proposed affordable housing development aligns with this mission by addressing a critical need in Madison, providing quality housing options for low- and moderate-income households, and contributing to the community's overall well-being.

39. For projects that will be co-developed with a non-profit partner, please describe the non-profit's role in the development. State if the non-profit will have a controlling interest (as memorialized in organizational documents), Right of First Refusal, or General Partner Purchase Option. If not, please elaborate on how the non-profit organization will be involved in the long-term ownership of the development. Describe briefly the compensation structure for non-profit developer, including percentage of the developer fee allocated.

N/A See #43 below

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

N/A

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

Our development team at Mandel Group along with Krupp General Contractors and Engberg Anderson will jointly monitor federal requirements during the project.

Similar project experience of one or more of the key team members includes

Krupp General Contractors:

ELLA - Madison, WI

The Madisonian - Madison, WI

Prairie Point - Middleton, WI

Limerick Apartments - Fitchburg, WI

Lighthouse 4041 - Shorewood, WI

The North End - Milwaukee, WI

Engberg Anderson:

Harmony @ Grandview Commons - Madison, WI (154 Units)

Rethke Terrace - Madison, WI (60 Units)

ThriveOn Milwaukee - Milwaukee, WI (89 Units)

Phyllis Wheatley School - Milwaukee, WI (82 Units)

Riverwest North Ave - Milwaukee, WI (91 Units)

The Grove - Stevens Point, WI (72 Units)

Berkshire Sheboygan Falls - Sheboygan Falls, WI (63 Units)

Bergamont Brass Works Apartments - Delavan, WI (73 Units)

Gold Medal Lofts - Racine, WI (77 Units)

Fortitude | Good Hope Road Library Development - Milwaukee, WI (65 Units)

Garden Terrace Apartments - La Crosse, WI (50 Units)

St. Anthonys Supportive Housing - Milwaukee, WI (60 Units)

Historic Garfield Apartments + The Griot - Milwaukee, WI (71 Units)

MKE Lofts - Milwaukee, WI (105 Units)

Maskani Place - Milwaukee, WI (37 Units)

United Methodist Children's Services - Milwaukee, WI (47 Units)

Capuchin Apartments - Milwaukee, WI (38 Units)

Villard Square - Milwaukee, WI (25 Units)

Toussaint Square - Milwaukee, WI (23 Units)

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

Mandel Property Services Inc - our in-house management company - is a WHEDA approved management agent. MPSI has within its workforce embedded resident application/screening and compliance talent experience and is currently managing affordable units in southern Wisconsin at Lighthouse 4041 and The North End apartment communities in Shorewood and Milwaukee respectively. Our team recently received continuing education from Spectrum Compliance.

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

TIF - we met with the city and were informed that funding is very limited at this site due to the age of the TID and previous TIF allocations made from this TID for other city needs, predominantly BRT support. The process appears to present timing constraints that would compromise other funding sources and opportunities that would compromise the proposal. There is a chance we will not apply for TIF.

Dane Workforce Housing Fund - have contacted them and plan to submit an application

WHPC - we are exploring a potential partnership with WHPC the structure of which is evolving. We are working to expedite a final arrangement as we would welcome WHPC involvement as a valued team member. If/when the participation is memorialized we will immediately update this application to disclose the nature of this non-profit's involvement.

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

N/A ACRE program sponsorship - See #45

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

Mandel Group is a founding and sole continuous supporter of the ACRE program in Milwaukee, which has been supported/housed at Marquette University, MSOE and LISC. Mandel has provided critical underwriting, mentorship opportunities, has led teaching sessions at ACRE for many years. Every major minority developer active in metro Milwaukee is an ACRE graduate, a testament to the effectiveness of the program. We are open to exploring how an ACRE experience could be melded into this project.

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

Mandel has retained Cross Management Services to assist in developing and executing a successful M/WBE program for Element Collective.

Additionally, Krupp General Contractors has over 40 yrs of experience in the Madison market contracting with minority and women owned businesses. Krupp maintains an active bid list of M/WBE firms that perform a wide variety of trades from structural steel to final cleaning. Krupp has worked directly with dozens of these firms on prior housing projects and will communicate directly with each firm prior to soliciting bids for the Element Collective project. Krupp will also work with bidders to confirm their scope is complete and that they have sufficient resources to complete their portion of the work.

47. Beyond standard construction bidding practices, to what efforts will the development team commit to ensure that women and people of color represent a meaningful share of the construction labor force working on this proposal.

Describe how the development team will commit to exceeding the City's contract labor utilization goal of **13%** for persons of color working on the job site.

Our diversity inclusion plan developed by Cross Management Services will provide a pathway to success which maximizes minority hiring by project contractors including tradespeople who may be in apprentice or training programs.

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

| Company                   | Role in Development | BIPOC |     | Women |     | Total Employees |
|---------------------------|---------------------|-------|-----|-------|-----|-----------------|
|                           |                     | #     | %   | #     | %   | #               |
| Mandel Group/MPSI         | Developer           | 53    | 35% | 65    | 42% | 153             |
|                           | Co-Developer        |       |     |       |     |                 |
|                           | Co-Developer        |       |     |       |     |                 |
| Krupp General Contractors | General Contractor  | 3     | 9%  | 5     | 14% | 35              |
| See Above                 | Property Manager    |       |     |       |     | See Above       |
| Engberg Anderson          | Architect           | 11    | 23% | 21    | 49% | 47              |
|                           | Service Provider    |       |     |       |     |                 |

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

In addition to our experience engaging and collaborating with M/WBE and diverse populations on development projects, our development and management company promote diverse hiring and is deeply committed to our people. We hire forward-thinking professionals committed to long-term career engagement and we invest in their on-going training and development. A defined career path and clear company vision combined with continuous mentorship, opportunities for recognition, and a bit of fun has resulted in 30 years of success through for Mandel. Many of our longest-tenured associates are BIPOC or women members of our team. We believe that collaboration and inclusion are the foundations of good business. Our successful approach is evident in our recognition as a Top Workplace eight times by the Milwaukee Journal Sentinel.

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

Our team members participate in several community initiatives including volunteering with NAMI Dane County, the Attic Angels (assisted living), and the Youth Sports Commission scholarship fund.

51. If any team member has acted as a development partner or has any ownership interest in any project currently underway or completed, please list the following information and provide a current status for the team member and/or any related entity, as applicable:

- List any foreclosure, default, or bankruptcy within the past ten years.
- List any litigation completed, pending, or underway in relation to any financing or construction project within the past five years.
- List any Chronic Nuisance Abatement or Nuisance Case notifications issued by Madison Police Department and/or Building Inspection in the past five years
- List any unresolved Building Inspection citations resulting in a Municipal Court Complaint in the past five years
- List any litigation in the past five years with the City of Madison, including but not limited to Federal, State, or Municipal Court proceedings

- f. List any litigation in the past five years in the State of Wisconsin, including but not limited to Federal, State, or Municipal Court proceedings

a. None  
 b. Bridgwalk Apartments, LLC - litigation involving construction manager who failed to pay subcontractors  
 c. None  
 d. None  
 e. None  
 f. None

## INTEGRATED SUPPORTIVE HOUSING UNITS

52. Provide the number and percent of Integrated Supportive Housing Units proposed, the income category(ies) targeted for these units, and the target service population(s) proposed (e.g., individuals and/or families currently experiencing homelessness listed on the Community-wide Prioritized List, persons with disabilities, formerly incarcerated individuals, other, etc.).

The Development team is partnering with WayForward Resources and their Housing Stability Program to support 5 Units at 30% AMI during the initial compliance period.

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

N/A

54. Identify the partnership(s) with supportive service agencies that have been or will be formed to serve the target population(s) for the supportive housing units, including service provider(s) from the Homeless Services Consortium (see Attachment C), if applicable. Provide a detailed description of the type (e.g., assessment and referral, on-site intensive case management, etc.) and level of supportive services (% FTE and ratio of staff: household) that will be provided to residents of the proposed project.

We are partnering with WayForward Resources. WayForward centers its practices in creating individualized services depending on the specific needs of the client. Case managers may use tools like the Arizona Self-Sufficiency Matrix, SMART goal templates, and budgeting guides to focus on participant-directed growth, supporting clients in identifying their own goals and outlining steps toward achieving them. Goals are often created around housing, employment, and income domains of self-sufficiency and we often have conversations around resource connection in other areas

55. Please describe the proposed integrated supportive housing approach that will go beyond meeting WHEDA's supportive housing requirements outlined in the Appendix S Checklist of the WHEDA Qualified Allocation Plan targeting veterans and/or persons with disabilities. Please elaborate on the target populations the proposed development will prioritize serving. Describe the consultation and coordination between Developer, the Property Manager and the lead Supportive Service Coordination Agency that occurred prior to this application and planned to design the development in terms of matching unit mix (income and size) to the targeted population.

N/A

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

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

Attach a letter from the Supportive Service Provider(s) **affirming** the services they intend to provide to residents of the supportive housing units, the cost of those services and how those services will be financially supported (i.e., through the development, fundraising, existing program dollars, etc.). Supportive Service Provider should also confirm that they've reviewed the projected rents, been given an opportunity to provide feedback and are comfortable with those rents being able to serve the target population.

Our SSP will be compensated by allocating a portion of the management fee otherwise payable to MPSI. See attached letter from WayForward.

## PROPERTY MANAGEMENT: TENANT SELECTION & AFFIRMATIVE MARKETING

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

☒ Yes, I confirm.

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

Mandel Property Services Inc. - a WHEDA approved agent will serve as property manager. MPSI manages over 5,000 multi-family apartments across 35 properties throughout Wisconsin and the midwest including affordable units and HUD projects. Each member of our management company is trained and receives ongoing education on Fair Housing Law, Sexual Harassment, Active Shooter Awareness, Preventing Workplace Violence, Drug Free Workplace, Diversity and Inclusion, and Business Ethics. Our team also receives training specific to affordable housing from Spectrum Consulting and works closely with partner agencies to customize leasing and management practices for each property that we manage.

59. Describe the planned approach, relationship and coordination between the Property Manager and the lead Supportive Service Coordination Agency for lease up and ongoing services. Have these entities previously participated in an in-depth pre-lease up coordination process with these target population(s) in coordination with relevant community partners (e.g., CDA, DCHA, VASH, CE, etc.)? I.e., what is the level of integration of this proposed team with each other— low, medium, high? How will these entities work together to ensure a successful development well-integrated with the immediate neighborhood and community?

MPSI and WayForward Resources have not worked together previously, but are committed to developing and implementing a supportive services plan for the designated units. MPSI will rely heavily on WayForward's intimate knowledge of the west side of Madison in developing a successful approach with the neighborhood.

60. Describe the affirmative marketing strategy and any other strategies to engage the target populations for this proposal. How will the Property Manager affirmatively market to populations that will be identified as least likely to apply? Detail specific partnerships that the development team, Property Manager, and/or other agencies in this proposal have had with community agencies and organizations that provide direct housing search and related assistance to households least likely to apply. Please reference successful past practices, relationships with agencies and/or marketing materials used. Specifically outline how this development's marketing will be consistent with the City

of Madison's Affirmative Marketing Plan Standards (Attachment B-2 of the RFP), especially for Asian and Latinx populations which tend to be under-represented in AHF Completion Reports.

Our development team has experience developing an AMP on prior HUD projects, and will create a custom plan for Element Collective. Cross Management Services will be a key participant in formulating the plan. The plan will target demographics that are least likely to apply for rental housing by identifying the marketing channels that are most effective to the target populations and creating a specific renters journey plan that builds awareness, creates consideration, and leads to a decision by the prospective renter, with the ultimate goal of turning a renter into an advocate and referral source for the project. It is important to begin the marketing process early by building awareness for the project within the target population - this is likely to include social media outreach and advertising, as well as more traditional advertising methods such as advertising on public transportation, bulletin boards, and of course within the University Research Park business community. Often times it can be advantageous to partner with other businesses or agencies such as credit unions, or even contractors on the project who may work with the target populations. Not only is the marketing plan important during lease-up, but it needs to be sustained during the life of the development.

61. Please address, in detail, experience in and/or plans to implement inclusive and culturally-sensitive property management and marketing practices. Detail specific partnerships that the development team, Property Manager, and/or other agencies in this proposal have had with community agencies and organizations that provide direct housing search and related assistance to households least likely to apply, **especially including undocumented residents and/or residents without social security numbers**. Please reference successful past practices, relationships with organizations that you have partnered with in the past for marketing activities.

One of the most effective means for appealing to a variety of cultures and in particular, minority and immigrant populations is by creating content and communication in native languages to prospective renters and hiring a diverse workforce to deliver the message. This may involve working with neighborhood agencies or groups that serve these populations and communicating with them in a language or format that they are most comfortable with. It is easy to assume that there may be one predominant language amongst a group of people, when in reality, there may be immigrants from many neighboring countries, all of whom speak different languages. The only way to learn this is by working with other individual influencers from within those groups who can bridge a communication or cultural gap and use their connections to help both the renter and the property manager come together.

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

We communicate proactively with our residents and work to develop relationships with each one of them so that when someone is falling behind, we know it is coming. Our team will work closely with WayForward to identify these situations in advance - even if it requires additional resources - and implement best practices so that eviction is a last resort and not a common practice. In a portfolio of over 5,000 units, it is not uncommon for late payments or renters to fall behind on rents. We will communicate proactively, develop a remedy, and work with residents toward a positive outcome.

63. What percentage of maximum LIHTC rents are used for 50 & 60% units? Households with incomes over 30% CMI, but less than the income to rent ratio required for a 50% unit are frequently locked out of this critical housing resource. What will this proposed development do to serve this segment of the population (e.g., lower rent below 90% of the WHEDA 50% income limit, lower income to rent ratio requirements, provide 40% units to meet demand, etc.)

Approximately 55% of all units are 50% and 60% AMI units, however, we have included 24 units at 40% of AMI in the Element Collective development specifically to provide an on-ramp for households that may exceed 30% AMI but not yet be above 50%. Our unit mix has units at 30/40/50/60/80 which covers a wide spectrum of household incomes.

64. Describe the proposed development's policy toward notification of non-renewals. What is the PM's policy regarding limiting rent increases for lease renewals? How will it be ensured that prospective long-term tenants be protected from significantly and rapidly rising contract rents increases allowed under the published rent limits, even under the rent limit increase requirements in this RFP and Loan Agreement.

Madison features some of the fastest growing rents in the country, which is one of the reasons why we are developing an affordable project in the market - to provide more affordable new housing options. We will assess the performance of the development in real time as we come upon renewals and annual WHEDA rental rates are updated. We have performance obligations to the tax credit investor, our primary lender, and our soft money lenders that need to be satisfied, and we also want to provide a high level of service in terms of staffing, leasing, maintenance, and supportive services. Most importantly, we want to continue to provide a level of affordability as the development ages, so we will weigh all of these variables before applying rent increases.

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

Mandel Property Services takes great pride in providing full service property management services - which means there is full-time staff on site throughout the week to provide resident services and operate/maintain the property. We use a team approach for staffing so that we can provide office hours into the evenings and on weekends. While finding new talent can be a challenge, we maintain a strong talent pipeline and frequently promote and transfer individuals within the company so that they can continue to grow in their career. Our on-site staff reports to our portfolio management team, so in the event there is a abrupt change in staffing, the portfolio manager can step into a temporary onsite role while a replacement is found.

66. What percent of staff turnover has the PM experienced at Madison-area properties in 2023? N/A

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

N/A

## PROPOSAL TIMELINE

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

| Activity/Benchmark                                                                                       | Estimated Month/Year of Completion |
|----------------------------------------------------------------------------------------------------------|------------------------------------|
| Draft Site Plan Ready to Submit to Dev. Assistance Team (DAT) [ <i>Target/Actual Month/Date</i> ]        | 7/23/2020                          |
| 1 <sup>st</sup> Development Assistance Team Meeting (Due by 8/29/24) [ <i>Target/Actual Month/Date</i> ] | 7/30/2020                          |
| 1 <sup>st</sup> Neighborhood Meeting (Due by 8/29/24) [ <i>Target Month/Date</i> ]                       | 11/16/2020                         |
| Submission of Land Use Application (Zoning Map Amendments Due by 10/7/24)                                | 11/18/2020                         |
| Submission of Land Use Application (Permissively Zoned Due by 11/4/24)                                   | 11/18/2020                         |
| Plan Commission Consideration (If Rezoning, 12/2/24 Meeting for 12/10/24 Common Council)                 | 1/25/2021                          |
| Urban Design Commission Consideration, if applicable [ <i>Target Month/Date</i> ]                        | N/A                                |
| Application to WHEDA                                                                                     | 8/30/2024                          |
| Complete Equity & Debt Financing                                                                         | 1/31/2025                          |
| Acquisition/Real Estate Closing                                                                          | 1/31/2025                          |
| Rehab or New Construction Bid Publishing                                                                 | 11/15/2024                         |
| New Construction/Rehab Start                                                                             | 2/15/2025                          |
| Begin Lease-Up/Marketing                                                                                 | 2/1/2026                           |
| New Construction/Rehab Completion                                                                        | 8/1/2026                           |
| Certificates(s) of Occupancy Obtained                                                                    | 8/1/2026                           |
| Complete Lease-Up                                                                                        | 4/1/2027                           |
| Request Final AHF Draw                                                                                   | 9/1/2026                           |

**HOUSING INFORMATION & UNIT MIX**

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

| <b>ADDRESS #1:</b>              |                  | <b>5534 Element Way Madison, WI 53719</b> |            |            |            |             |                                                   |                   |                   |                   |                    |
|---------------------------------|------------------|-------------------------------------------|------------|------------|------------|-------------|---------------------------------------------------|-------------------|-------------------|-------------------|--------------------|
|                                 |                  | # of Bedrooms                             |            |            |            |             | Projected Monthly Unit Rents, Including Utilities |                   |                   |                   |                    |
| % of County Median Income (CMI) | Total # of units | # of Studios                              | # of 1 BRs | # of 2 BRs | # of 3 BRs | # of 4+ BRs | \$ Rent for Studios                               | \$ Rent for 1 BRs | \$ Rent for 2 BRs | \$ Rent for 3 BRs | \$ Rent for 4+ BRs |
| ≤30%                            | 10               | 2                                         | 5          | 2          | 1          | 0           | 661                                               | 708               | 850               | 982               |                    |
| 40%                             | 24               | 3                                         | 17         | 2          | 2          | 0           | 882                                               | 945               | 1134              | 1309              |                    |
| 50%                             | 61               | 3                                         | 51         | 4          | 3          | 0           | 1102                                              | 1181              | 1417              | 1636              |                    |
| 60%                             | 49               | 3                                         | 40         | 3          | 3          | 0           | 1256                                              | 1346              | 1615              | 1865              |                    |
| <b>Affordable Sub-total</b>     | <b>144</b>       | <b>11</b>                                 | <b>113</b> | <b>11</b>  | <b>9</b>   | <b>0</b>    |                                                   |                   |                   |                   |                    |
| 80%                             | 53               | 4                                         | 40         | 5          | 4          | 0           | 1412                                              | 1560              | 2153              | 2406              |                    |
| <b>Market*</b>                  | <b>0</b>         | <b>0</b>                                  | <b>0</b>   | <b>0</b>   | <b>0</b>   | <b>0</b>    |                                                   |                   |                   |                   |                    |
| <b>Total Units</b>              | <b>197</b>       | <b>15</b>                                 | <b>153</b> | <b>16</b>  | <b>13</b>  | <b>0</b>    | Notes/Utility Allowance Assumptions:              |                   |                   |                   |                    |

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

| Total # of Homeless Supportive Housing Units | Total # of Veteran Supportive Housing Units | Total # of Homeless Veteran Supportive Housing Units | Total # of Disabled/Other Supportive Housing Units | Minimum # of Supportive Housing Units |
|----------------------------------------------|---------------------------------------------|------------------------------------------------------|----------------------------------------------------|---------------------------------------|
|                                              |                                             | [   ]                                                |                                                    |                                       |

| <b>ADDRESS #2:</b>              |                  |               |            |            |            |             |                                                   |                   |                   |                   |                    |
|---------------------------------|------------------|---------------|------------|------------|------------|-------------|---------------------------------------------------|-------------------|-------------------|-------------------|--------------------|
|                                 |                  | # of Bedrooms |            |            |            |             | Projected Monthly Unit Rents, Including Utilities |                   |                   |                   |                    |
| % of County Median Income (CMI) | Total # of units | # of Studios  | # of 1 BRs | # of 2 BRs | # of 3 BRs | # of 4+ BRs | \$ Rent for Studios                               | \$ Rent for 1 BRs | \$ Rent for 2 BRs | \$ Rent for 3 BRs | \$ Rent for 4+ BRs |
| ≤30%                            | 0                | 0             | 0          | 0          | 0          | 0           |                                                   |                   |                   |                   |                    |
| 40%                             | 0                | 0             | 0          | 0          | 0          | 0           |                                                   |                   |                   |                   |                    |
| 50%                             | 0                | 0             | 0          | 0          | 0          | 0           |                                                   |                   |                   |                   |                    |
| 60%                             | 0                | 0             | 0          | 0          | 0          | 0           |                                                   |                   |                   |                   |                    |
| <b>Affordable Sub-total</b>     | <b>0</b>         | <b>0</b>      | <b>0</b>   | <b>0</b>   | <b>0</b>   | <b>0</b>    |                                                   |                   |                   |                   |                    |
| 80%                             | 0                | 0             | 0          | 0          | 0          | 0           |                                                   |                   |                   |                   |                    |
| <b>Market*</b>                  | <b>0</b>         | <b>0</b>      | <b>0</b>   | <b>0</b>   | <b>0</b>   | <b>0</b>    |                                                   |                   |                   |                   |                    |
| <b>Total Units</b>              | <b>0</b>         | <b>0</b>      | <b>0</b>   | <b>0</b>   | <b>0</b>   | <b>0</b>    | Notes/Utility Allowance Assumptions:              |                   |                   |                   |                    |

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

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

70. Utilities/amenities included in rent: ☐ Water/Sewer ☐ Electric ☐ Gas ☐ Free Internet In-Unit

☒ Washer/Dryer ☐ Other: \_\_\_\_\_

71. Please list the source used for calculating utility allowance, and the total utility allowance per bedroom size:  
Utilities Allowance Used: ☐ CDA ☐ DCHA ☐ HUSM (HUD HOME)

| Unit Size (Number of Bedrooms) | Total Monthly Utility Allowance (\$) |
|--------------------------------|--------------------------------------|
| Efficiency                     | N/A                                  |
| 1-Bedroom                      | N/A                                  |
| 2-Bedroom                      | N/A                                  |
| 3-Bedroom                      | N/A                                  |

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

All units are accessible via elevator. The building contains 4 elevators that provide access to the residential floors from the parking areas and residential lobby. The project will be fully compliant with ADA, Federal Fair Housing, IBC/State of Wisconsin and other applicable accessibility requirements and guidelines.

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

While Universal Design points are not required in the WHEDA application for % non-competitive credits, our project will incorporate these components where they are sensible to the overall development.

## ENERGY EFFICIENCY, RENEWABLE ENERGY, DECARBONIZATION & SUSTAINABLE DESIGN

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

Our development team has developed, designed and built a wide variety of sustainable projects - including LEED certified projects. Recent accomplishments include standardizing electric heat pump units in our urban apartment projects, incorporation of electric vehicle charging stations, smart thermostats, high performance Low E window systems, and on site storm water management and reduction systems.

Certified Sustainable Projects by Engberg Anderson:

Passive House Projects

Rethke Terrace Apartments (Affordable) - Madison, WI

Bronzeville Scattered Sites - Milwaukee, WI

LEED-Platinum Certified

Rethke Terrace Apartments (Affordable) - Madison, WI

LEED-Gold Certified

Fitchburg Public Library - Fitchburg, WI

Madison Public Library - Madison, WI  
 Midtown Police Station - Madison, WI  
 UW-Hillel Barbara Hochberg - Madison, WI  
 Engberg Anderson Milwaukee - Milwaukee, WI  
 St. Anthonys Housing - Milwaukee, WI  
 Gail Borden Public Library District Rakow Branch - Elgin, IL  
 UW-Stevens Point Residence Hall - Stevens Point, WI

**LEED-Silver Certified**

Davenport Public Library - Davenport, IA  
 Pima County Association of Government - Tuscon, AZ

**LEED-Homes**

Spur 16 Apartments - Mequon, WI

**LEED-Certified**

General Mitchell Airport, Baggage Claim - Milwaukee, WI  
 4 East Elm - Chicago, IL  
 Spur 16 Apartments - Mequon, WI

**Enterprise Green Communities**

Garden Terrace - La Crosse, WI  
 Maskani Place - Milwaukee, WI  
 Capuchin Apartments - Milwaukee, WI

**Energy Star**

Element 84 - West Allis, WI

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

Element Collective will feature a green roof over our parking structure, energy star appliances, LED lighting and high efficiency HVAC systems. We are also exploring the use of solar panels through the Section 48 Clean Investment Tax Credit as well as an alternate HVAC design for electric heat pumps subject to cost verification. We approach all of our development projects with the full life cycle costs in mind due to our long term hold approach with our assets. This approach means that we prioritize sustainability and quality in every decision we make.

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

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

Other:

☐

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

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

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

We are currently working with Glow Solar and Baker Tilly to evaluate the feasibility of solar on the Element Collective building. We will have updates in the coming weeks.

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

| Sustainability Design Features & Equipment                                                           | YES                                 | Comments                                                        |
|------------------------------------------------------------------------------------------------------|-------------------------------------|-----------------------------------------------------------------|
| a. Air-source or ground source heat pumps                                                            | <input checked="" type="checkbox"/> | Currently under review                                          |
| b. Electric or heat-pump water heaters                                                               | <input type="checkbox"/>            | High-efficiency staged control central hot water plant          |
| c. Electric stoves                                                                                   | <input checked="" type="checkbox"/> |                                                                 |
| d. EV charging infrastructure or EV ready design<br>( <i>exceeding City ordinance requirements</i> ) | <input checked="" type="checkbox"/> |                                                                 |
| e. Battery storage                                                                                   | <input type="checkbox"/>            | Alternative consideration in lieu of emergency generator backup |
| f. Other:                                                                                            | <input checked="" type="checkbox"/> | Green Roof over Parking                                         |
| g. Other:                                                                                            | <input type="checkbox"/>            |                                                                 |

79. Please *briefly* describe the Sustainable Building Design Elements and Strategies that will be incorporated into the proposed project as referenced in the [AIA Framework for Design Excellence](#), especially the following:

a. Design for Equitable Communities

The location and timing of this project create unique opportunities to design a facility that creates a vibrant and diverse community sitting between dedicated park space, modern public transit, and concentrated employment opportunities. Residents of Element Collective will have amenities and access to the City of Madison and its lifestyle opportunities.

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

Element Collective features Pella Impervia high performance fiberglass windows with a U Factor of 0.26-0.30

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

University Research Park recently completed a large stormwater infrastructure project upgrading their entire system to accommodate a 200 year flood event. The new system incorporates native plantings and is designed as an attractive visual feature facing the neighborhood. The Element Collective project features a large greenspace on the roof of the parking podium what will reduce stormwater leaving the building site and provide an amenity for residents of the building.

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

Element Collective will utilize precast concrete for the building foundation and parking areas which is better for the environment than cast in place concrete. Many other building materials including siding, flooring, cabinets, decking, and roofing contain high amounts of recycled content.

The building itself provides a very efficient layout of 197 apartments on just 1.5 acres of land. The Element Collective housing development is vertically stacked above a level of URP-owned and operated parking, which provides for higher densification of available land and shared parking opportunities for multiple accommodated users.

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

Element Collective features common area amenities both indoor and outdoor and sits directly across the street from Garner Park. Residents will have access to/from the property using the URP sidewalk system and an extensive recreational walking trail network that weaves through the entire research park. The large windows and balconies (select units) provide residents with fresh air and natural light in each apartment home.

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

All apartment homes are serviced by high efficiency HVAC systems (furnace or heat pump) and can be controlled directly by the resident. Common areas and hallways are conditioned with outside air to maximize indoor air quality. Windows are operable to bring in additional outside air. HVAC systems incorporate MERV 8 filters for heightened air quality.

g. Design for Change – Optimize operational and maintenance practices

The building is inherently designed to provide affordable and stable housing supply for the long-term. Material and product selections are made with a focus on longevity and useful life. Mandel is a long-term owner/developer of its properties and sensitive to life-cycle decisions that inform quality decisions on how developments are conceived.

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

Element Collective is the 2<sup>nd</sup> component of the University Research Park's plan to create an activity and mixed-use cluster at the northeast corner of the park -the Catalyst District- in an effort to transition away from surface parking towards higher, denser and better land use planning. The first phase is Element Labs and future phases include market-rate housing, food and beverage, and office/research. This project is a key catalyst in the overall development and will anchor a further addition of housing and commercial uses in the follow-on stage of development to the east of the project site.

## REAL ESTATE PROJECT DATA SUMMARY

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

|          | # of Units<br>Prior to<br>Purchase           | # of Units<br>Post-<br>Project | # Units<br>Occupied at<br>Time of<br>Purchase | # Biz or<br>Residential<br>Tenants to<br>be<br>Displaced | # of Units<br>Accessible<br>Current? | Number of<br>Units Post-<br>Project<br>Accessible? | Appraised<br>Value<br>Current<br>(Or Estimated) | Appraised<br>Value After<br>Project<br>Completion<br>(Or Estimated) | Purchase<br>Price |
|----------|----------------------------------------------|--------------------------------|-----------------------------------------------|----------------------------------------------------------|--------------------------------------|----------------------------------------------------|-------------------------------------------------|---------------------------------------------------------------------|-------------------|
| Address: | 5546 and 5534 Element Way, Madison, WI 53719 |                                |                                               |                                                          |                                      |                                                    |                                                 |                                                                     |                   |
|          | 0                                            | 197                            | N/A                                           | 0                                                        | N/A                                  | TBD                                                | \$1,000,000                                     | \$20,000,000                                                        | N/A               |
| Address: | Enter Address 2                              |                                |                                               |                                                          |                                      |                                                    |                                                 |                                                                     |                   |
|          |                                              |                                |                                               |                                                          |                                      |                                                    |                                                 |                                                                     |                   |
| Address: | Enter Address 3                              |                                |                                               |                                                          |                                      |                                                    |                                                 |                                                                     |                   |
|          |                                              |                                |                                               |                                                          |                                      |                                                    |                                                 |                                                                     |                   |

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

Phase I ESA was completed 10/16/2020. The site had previously been vacant and used for walking trails. There is no evidence of recognized environmental conditions, and no additional investigation is recommended or required.

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

N/A

83. Will any business, including churches and non-profit organizations, or residential tenants (owner or rental) will be displaced temporarily or permanently? If so, please describe the relocation requirements, relocation plan and relocation assistance that you will implement or have started to implement.

No

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

N/A

REFERENCES

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

| Name                   | Relationship                                              | Email Address            | Phone        |
|------------------------|-----------------------------------------------------------|--------------------------|--------------|
| Patrick Schloss        | City of West Allis<br>Community<br>Development<br>Manager | pschloss@westalliswi.gov | 414-302-8468 |
| Jennifer Andrews, AICP | City of Waukesha<br>Community<br>Development Director     | jandrews@waukesha-wi-gov | 262-524-3753 |
| Rebecca Ewald          | Village of Shorewood<br>Village Manager                   | rewald@shorewoodwi.gov   | 414-847-2700 |

**PLEASE ATTACH THE FOLLOWING ADDITIONAL INFORMATION AND CHECK THE BOX WHEN ATTACHED:**

- ☒ 1. A completed Application Budget Workbook, showing the City's proposed financial contribution and all other proposed financing.
- ☒ 2. Description of the Development Team's Experience and Capacity per Section 2.5, Item 2 of the RFP. This may be attached or including in the application. Please do NOT duplicate information attached and included in line.
- ☒ 3. Letter(s) from Supportive Service Provider(s) affirming in detail what services are necessary to be adequate for the number of supportive housing units and target population as well as what level of services they intend to provide (such as assessment and referral, on-site intensive case management, etc.), % FTE, hours on site, etc.
- ☒ 4.a. A detailed map of the site.
- ☒ 4.b. A map using the AHF Affordable Housing Targeted Area Map, indicating the site in the context of the City.
- ☒ 4.c. A preliminary site plan and one to two renderings, if available.
- ☐ 5. A Capital Needs Assessment report of the subject property, if the proposal is for a rehabilitation project and if the report is available at the time of application.
- ☒ 6. A confirmation page demonstrating that an Initial Application for Energy Design Assistance was submitted to Focus on Energy. If the Bundle Report is available, please attach it now as well.
- ☒ 7a. Tenant Selection Plan consistent with the City's Standards outlined in Attachment B-1.

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

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

APPLICANT &amp; PROJECT NAME:

EC Residential LLC

## 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:                   |                      |                      |          |              |                       |                     |
| NewPoint Permanent Mortgage                   | \$ 26,049,445        |                      | 6.16%    | 19           | 40                    |                     |
| Subordinate Loan 1-Lender Name:               |                      |                      |          |              |                       |                     |
| Subordinate Loan 2-Lender Name:               |                      |                      |          |              |                       |                     |
| Tax Exempt Loan-Bond Issuer:                  |                      |                      |          |              |                       |                     |
| City Request (AHF, HOME, TIF)                 | \$ 5,295,419         |                      |          |              |                       |                     |
| Subordinate TIF Loan-Lender Name:             |                      |                      |          |              |                       |                     |
| AHP Loan (List FHLB):                         |                      |                      |          |              |                       |                     |
| Dane County AHDF:                             |                      |                      |          |              |                       |                     |
| Other-Specify Lender/Grantor:                 |                      |                      |          |              |                       |                     |
| Federal LIHTC Investor Capital                | \$ 23,914,247        |                      |          |              |                       |                     |
| Other-Specify Lender/Grantor:                 |                      |                      |          |              |                       |                     |
| Tax Credit Equity                             |                      |                      |          |              |                       |                     |
| Historic Tax Credit Equity (Fed and/or State) |                      |                      |          |              |                       |                     |
| Deferred Developer Fees                       | \$ 6,099,941         |                      |          |              |                       |                     |
| Owner Investment                              | \$ 100               |                      |          |              |                       |                     |
| Other-Specify:                                |                      |                      |          |              |                       |                     |
| Construction Interest Income                  | \$ 1,894,974         |                      |          |              |                       |                     |
| <b>Total Sources</b>                          | <b>\$ 63,254,126</b> |                      |          |              |                       |                     |

**Do you plan on submitting an application for TIF?**

Yes

| Construction Financing                             |               |       |               |
|----------------------------------------------------|---------------|-------|---------------|
| Source of Funds                                    | Amount        | Rate  | Term (Months) |
| Construction Loan 1-Lender Name:                   |               |       |               |
| NewPoint Permanent Mortgage Available During Const | \$ 26,049,445 | 6.16% | 228           |
| Construction Loan 2-Lender Name:                   |               |       |               |
| AHF                                                | \$ 5,295,419  |       |               |
| Construction Loan 3-Lender Name:                   |               |       |               |
| Construction Loan 4-Lender Name:                   |               |       |               |
| Bridge Loan-Lender Name:                           |               |       |               |
| Newpoint                                           | \$ 16,190,657 |       |               |
| Housing Tax Credit Equity:                         |               |       |               |

|                                |           |                   |  |  |
|--------------------------------|-----------|-------------------|--|--|
| Federal LIHTC Investor Capital | \$        | 4,782,849         |  |  |
| Historic Tax Credit Equity:    |           |                   |  |  |
|                                |           |                   |  |  |
| Other-Specify:                 |           |                   |  |  |
| Construction Intrest Income    |           |                   |  |  |
| <b>Total</b>                   | <b>\$</b> | <b>52,318,370</b> |  |  |

Estimated pricing on sale of Federal Tax Credits:

\$

0.84

Estimated pricing on sale of State Tax Credits:

N/A

(if applicable)

Remarks Concerning Project Funding Sources:

APPLICANT:

EC Residential LLC

## 2. PROJECT EXPENSES

Enter the proposed project expenses

| Acquisition Costs                               | Amount       |
|-------------------------------------------------|--------------|
| Land                                            | \$2,052,531  |
| Existing Buildings/Improvements                 | \$0          |
| Other (List)                                    |              |
| Land Infrastructure                             | \$328,405    |
| <b>Construction:</b>                            |              |
| Construction/Rehab Costs                        | \$33,812,789 |
| E - Equipment & Furnishings                     | \$146,450    |
| F - Special Construction & Demolition           | \$0          |
| Accessory Buildings                             | \$0          |
| Personal Property/FF&E                          | \$0          |
| Site Work Costs (on-site & off-site)            | \$1,438,926  |
| Landscaping                                     | \$0          |
| <b>Contractor Fees:</b>                         |              |
| General Requirements                            | \$1,223,113  |
| Construction Overhead                           | \$1,687,090  |
| Construction Profit                             | \$0          |
| Construction Supervision                        | \$0          |
| <b>Contingency Funds:</b>                       |              |
| Construction Contingency                        | \$1,915,418  |
| Other Contingency                               | \$0          |
| <b>Construction Period Expenses/Soft Costs:</b> |              |
| Construction Loan Origination Fee               | \$422,401    |
| Construction Loan Credit Enhancement/LOC        | \$0          |
| Cost of Bond Issuance                           | \$633,602    |
| Bridge Loan Fees and Expenses                   | \$45,000     |
| Construction Loan Interest                      | \$6,122,647  |
| Construction Loan Origination Fee               | \$0          |
| Construction Period Real Estate Taxes           | \$100,343    |
| Title and Recording                             | \$45,000     |
| Builder's Risk/Property Insurance               | \$152,400    |
| Temporary Relocation Assistance                 | \$0          |
| Permanent Relocation Assistance                 | \$0          |
| Other Interim/Construction Costs (list)         |              |
| Other Construction/Park Impact Fees             | \$291,674    |
| <b>Permanent Financing Expenses:</b>            |              |
| Permanent Loan Origination Fee                  | \$130,247    |
| Credit Enhancement                              | \$0          |
| Other Permanent Loan Fees                       | \$240,000    |
| Legal Fees - Real Estate                        | \$165,000    |
| <b>Architectural &amp; Engineering:</b>         |              |
| Architect - Design                              | \$1,347,746  |

<---

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

|  |
|--|
|  |
|  |
|  |

Total Cost:

\$0

|                                    |           |
|------------------------------------|-----------|
| Architect - Supervision            | \$0       |
| Engineering                        | \$781,467 |
| Survey                             | \$10,000  |
| Other Architect/Engineering (list) |           |
|                                    | \$0       |

#### Syndication Fees & Expenses:

|                                |          |
|--------------------------------|----------|
| Organizational Fees            | \$50,000 |
| Other Syndication Costs (list) |          |
|                                | \$0      |

#### Capitalized Reserves:

|                                   |             |
|-----------------------------------|-------------|
| Operating Reserve                 | \$1,434,137 |
| Replacement Reserve               | \$0         |
| Lease-Up Reserve                  | \$0         |
| Debt Service Reserve              | \$0         |
| Capital Needs Reserve             | \$0         |
| Other Reserves                    | \$0         |
| Escrows                           | \$0         |
| Other Capitalized Reserves (list) |             |
|                                   | \$0         |

#### Reports, Studies & Related Work:

|                                 |          |
|---------------------------------|----------|
| Appraisal                       | \$6,000  |
| Market Study                    | \$6,500  |
| Environmental Reports           | \$20,000 |
| Capital Needs Assessment Report | \$0      |
| Other (list)                    |          |
|                                 | \$0      |

#### Other Soft Costs:

|                                            |           |
|--------------------------------------------|-----------|
| Tax Credit Fees - Application              | \$2,000   |
| Tax Credit Fees - Compliance               | \$10,835  |
| Tax Credit Fees - Allocation               | \$214,141 |
| Permits & impact fees - water, sewer, etc. | \$0       |
| Cost Certification/Accounting fees         | \$52,500  |
| Lease-Up Period Marketing                  | \$300,000 |
| Title Insurance and Recording              | \$0       |
| Capital Needs Assessment (rehab only)      | \$0       |
| Legal                                      | \$0       |
| Other (list)                               |           |

|                                                 |           |
|-------------------------------------------------|-----------|
| Soft Cost Contingency/Other Miscellaneous Costs | \$185,763 |
|-------------------------------------------------|-----------|

#### Developer Earned Fees & Expenses:

|                    |             |
|--------------------|-------------|
| Developer's Fee    | \$7,767,500 |
| Developer Overhead | \$0         |
| Consultant Fees    | \$112,500   |
| Other fees (list)  |             |
| \$0                | \$0         |

|              |              |
|--------------|--------------|
| Total Costs: | \$63,254,125 |
|              |              |

APPLICANT: EC Residential LLC

3. PROJECT PROFORMA

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

|                                           | Year 1    | Year 2    | Year 3    | Year 4    | Year 5    | Year 6    | Year 7    | Year 8    | Year 9    | Year 10   | Year 11   | Year 12   | Year 13   | Year 14   | Year 15   | Year 16   |
|-------------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Gross Income                              | 2,896,728 | 2,894,863 | 3,013,756 | 3,074,031 | 3,135,512 | 3,196,222 | 3,262,196 | 3,327,430 | 3,393,879 | 3,461,858 | 3,531,095 | 3,601,717 | 3,673,752 | 3,747,227 | 3,822,171 | 3,898,614 |
| Less Vacancy/Red Debt                     | 144,836   | 147,733   | 150,686   | 153,702   | 156,776   | 159,911   | 163,109   | 166,371   | 169,699   | 173,093   | 176,555   | 180,086   | 183,688   | 187,361   | 191,109   | 194,931   |
| Income from Non-Residential Use*          | 357,070   | 364,221   | 371,505   | 378,905   | 386,514   | 394,244   | 402,120   | 410,172   | 418,375   | 426,742   | 435,277   | 443,983   | 452,863   | 461,920   | 471,158   | 480,581   |
| Total Revenue                             | 3,108,971 | 3,171,150 | 3,234,573 | 3,299,264 | 3,365,290 | 3,432,555 | 3,501,206 | 3,571,230 | 3,642,655 | 3,715,508 | 3,789,818 | 3,865,814 | 3,942,926 | 4,021,795 | 4,102,221 | 4,184,285 |
| Expenses:                                 |           |           |           |           |           |           |           |           |           |           |           |           |           |           |           |           |
| Office Expenses and Phone                 |           | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |
| Real Estate Taxes                         | 377,255   | 388,573   | 400,230   | 412,237   | 424,604   | 437,342   | 450,462   | 463,976   | 477,895   | 492,232   | 506,999   | 522,209   | 537,875   | 554,012   | 570,632   | 587,751   |
| Advertising, Accounting, Legal Fees       |           | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |
| Payroll, Payroll Taxes and Benefits       |           | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |
| Property Insurance                        | 118,200   | 121,746   | 125,398   | 129,160   | 133,035   | 137,026   | 141,137   | 145,371   | 149,732   | 154,224   | 158,851   | 163,616   | 168,525   | 173,581   | 178,788   | 184,152   |
| Mtc. Repairs and Mtc Contracts            | 124,600   | 128,338   | 132,188   | 136,154   | 140,238   | 144,446   | 148,779   | 153,242   | 157,840   | 162,575   | 167,452   | 172,476   | 177,650   | 182,979   | 188,469   | 194,123   |
| Utilities (gas/electric/fuel/water/sewer) | 115,700   | 119,171   | 122,746   | 126,429   | 130,221   | 134,128   | 138,152   | 142,296   | 146,565   | 150,962   | 155,491   | 160,156   | 164,961   | 169,909   | 175,007   | 180,257   |
| Property Mgmt                             | 186,538   | 192,134   | 197,896   | 203,835   | 209,950   | 216,249   | 222,736   | 229,418   | 236,301   | 243,390   | 250,691   | 258,212   | 265,959   | 273,937   | 282,156   | 290,620   |
| Operating Reserve Pmt                     |           | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |
| Replacement Reserve Pmt                   | 59,100    | 60,873    | 62,699    | 64,580    | 66,518    | 68,513    | 70,569    | 72,686    | 74,866    | 77,112    | 79,425    | 81,808    | 84,262    | 86,790    | 89,394    | 92,076    |
| Support Services                          |           | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |
| Other (List)                              |           |           |           |           |           |           |           |           |           |           |           |           |           |           |           |           |
| Rent Expense                              | 17,800    | 18,334    | 18,884    | 19,451    | 20,034    | 20,635    | 21,254    | 21,892    | 22,549    | 23,225    | 23,922    | 24,639    | 25,379    | 26,140    | 26,924    | 27,732    |
| Other Admin Expenses (Less Manag          | 264,435   | 272,368   | 280,539   | 288,955   | 297,624   | 306,553   | 315,749   | 325,222   | 334,978   | 345,028   | 355,379   | 366,040   | 377,021   | 388,332   | 399,982   | 411,981   |
| Total Operating Expenses                  | 1,263,628 | 1,301,537 | 1,340,583 | 1,380,800 | 1,422,224 | 1,464,891 | 1,508,838 | 1,554,103 | 1,600,726 | 1,648,748 | 1,698,210 | 1,749,157 | 1,801,631 | 1,855,680 | 1,911,351 | 1,968,691 |
| Net Operating Income                      | 1,845,343 | 1,869,613 | 1,893,990 | 1,918,464 | 1,943,025 | 1,967,664 | 1,992,368 | 2,017,127 | 2,041,928 | 2,066,760 | 2,091,607 | 2,116,657 | 2,141,295 | 2,166,105 | 2,190,870 | 2,215,574 |
| Debt Service:                             |           |           |           |           |           |           |           |           |           |           |           |           |           |           |           |           |
| First Mortgage                            | 1,604,645 | 1,604,645 | 1,604,645 | 1,604,645 | 1,604,645 | 1,604,645 | 1,604,645 | 1,604,645 | 1,604,645 | 1,604,645 | 1,604,645 | 1,604,645 | 1,604,645 | 1,604,645 | 1,604,645 | 1,604,645 |
| Second Mortgage                           |           | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |
| Other (List)                              |           |           |           |           |           |           |           |           |           |           |           |           |           |           |           |           |
| Asset Management Fee                      | 5,000     | 5,190     | 5,305     | 5,464     | 5,628     | 5,796     | 5,970     | 6,149     | 6,334     | 6,524     | 6,720     | 6,921     | 7,129     | 7,343     | 7,563     | 7,790     |
| Total Debt Service                        | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |
| Total Annual Cash Expenses                | 1,609,645 | 1,609,795 | 1,609,950 | 1,610,109 | 1,610,273 | 1,610,441 | 1,610,615 | 1,610,794 | 1,610,979 | 1,611,169 | 1,611,365 | 1,611,566 | 1,611,774 | 1,611,988 | 1,612,208 | 1,612,433 |
| Total Net Operating Income                | 235,698   | 259,818   | 284,041   | 308,355   | 332,753   | 357,222   | 381,753   | 406,333   | 430,950   | 455,591   | 480,243   | 504,891   | 529,521   | 554,117   | 578,662   | 603,139   |
| Debt Service Reserve                      | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |
| Deferred Developer Fee                    | 235,698   | 259,818   | 284,041   | 308,355   | 332,753   | 357,222   | 381,753   | 406,333   | 430,950   | 455,591   | 480,243   | 504,891   | 529,521   | 554,117   | 578,662   | 0         |
| Cash Flow                                 | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 603,139   |
| AHF City Interest Loan                    |           | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |

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

|                |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
|----------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| DCR Hard Debt  | 1.15 | 1.17 | 1.18 | 1.20 | 1.21 | 1.23 | 1.24 | 1.26 | 1.27 | 1.29 | 1.30 | 1.32 | 1.33 | 1.35 | 1.37 | 1.38 |
| DCR Total Debt | 1.15 | 1.16 | 1.16 | 1.19 | 1.21 | 1.22 | 1.24 | 1.25 | 1.27 | 1.28 | 1.30 | 1.31 | 1.33 | 1.34 | 1.36 | 1.37 |

|                          |      |                                                                        |
|--------------------------|------|------------------------------------------------------------------------|
| Assumptions              |      |                                                                        |
| Vacancy Rate             | 5.0% | *Please list all fees (per unit per month) and non-residential income: |
| Annual Increase Income   | 2.0% |                                                                        |
| Annual Increase Expenses | 3.0% |                                                                        |
| Other                    |      |                                                                        |

APPLICANT: EC Residential LLC

3. PROJECT PROFORMA (cont.)

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

|                                           | Year 17   | Year 18   | Year 19   | Year 20   | Year 21   | Year 22   | Year 23   | Year 24   | Year 25   | Year 26   | Year 27   | Year 28   | Year 29   | Year 30   |
|-------------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Gross Income                              | 3,976,587 | 4,056,119 | 4,137,241 | 4,218,986 | 4,304,385 | 4,390,473 | 4,478,283 | 4,567,848 | 4,659,205 | 4,752,369 | 4,847,437 | 4,944,396 | 5,043,274 | 5,144,139 |
| Less Vacancy/Red Debt                     | 196,829   | 202,806   | 206,862   | 210,999   | 215,219   | 219,524   | 223,914   | 228,392   | 232,963   | 237,619   | 242,372   | 247,219   | 252,164   | 257,207   |
| Income from Non-Residential Use*          | 490,193   | 499,907   | 509,997   | 520,197   | 530,601   | 541,213   | 552,037   | 563,078   | 574,339   | 585,826   | 597,542   | 609,493   | 621,683   | 634,117   |
| Total Revenue                             | 4,269,950 | 4,353,309 | 4,440,376 | 4,529,183 | 4,619,767 | 4,712,162 | 4,806,405 | 4,902,533 | 5,000,584 | 5,100,596 | 5,202,608 | 5,306,690 | 5,412,793 | 5,521,048 |
| Expenses:                                 |           |           |           |           |           |           |           |           |           |           |           |           |           |           |
| Office Expenses and Phone                 |           | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |
| Real Estate Taxes                         | 605,384   | 623,545   | 642,251   | 661,519   | 681,364   | 701,805   | 722,860   | 744,545   | 766,882   | 789,888   | 813,585   | 837,992   | 863,132   | 889,026   |
| Advertising, Accounting, Legal Fees       |           | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |
| Payroll, Payroll Taxes and Benefits       |           | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |
| Property Insurance                        | 189,676   | 195,367   | 201,228   | 207,264   | 213,482   | 219,887   | 226,483   | 233,278   | 240,276   | 247,485   | 254,909   | 262,556   | 270,433   | 278,546   |
| Mtc. Repairs and Mtc Contracts            | 199,946   | 205,945   | 212,123   | 218,487   | 225,041   | 231,793   | 238,746   | 245,909   | 253,286   | 260,885   | 268,711   | 276,773   | 285,076   | 293,628   |
| Utilities (gas/electric/fuel/water/sewer) | 185,665   | 191,234   | 196,972   | 202,881   | 208,967   | 215,236   | 221,693   | 228,344   | 235,194   | 242,250   | 249,518   | 257,003   | 264,713   | 272,655   |
| Property Mgmt                             | 299,339   | 306,319   | 317,568   | 327,096   | 336,906   | 347,016   | 357,426   | 368,149   | 379,193   | 390,569   | 402,286   | 414,355   | 426,785   | 439,589   |
| Operating Reserve Pmt                     |           | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |
| Replacement Reserve Pmt                   | 94,838    | 97,682    | 100,614   | 103,632   | 106,741   | 109,943   | 113,242   | 116,639   | 120,138   | 123,742   | 127,455   | 131,278   | 135,217   | 139,273   |
| Support Services                          |           | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |
| Other (List)                              |           |           |           |           |           |           |           |           |           |           |           |           |           |           |
| Rent Expense                              | 28,564    | 29,421    | 30,303    | 31,212    | 32,149    | 33,113    | 34,107    | 35,130    | 36,184    | 37,269    | 38,387    | 39,539    | 40,725    | 41,947    |
| Other Admin Expenses (Less Manag          | 424,341   | 437,071   | 450,183   | 463,688   | 477,599   | 491,927   | 506,685   | 521,885   | 537,542   | 553,668   | 570,278   | 587,387   | 605,008   | 623,158   |
| Total Operating Expenses                  | 2,027,752 | 2,088,585 | 2,151,242 | 2,215,779 | 2,282,253 | 2,350,720 | 2,421,242 | 2,493,879 | 2,568,696 | 2,645,756 | 2,725,129 | 2,806,883 | 2,891,089 | 2,977,822 |
| Net Operating Income                      | 2,240,198 | 2,264,725 | 2,289,134 | 2,313,404 | 2,337,514 | 2,361,442 | 2,385,163 | 2,408,654 | 2,431,889 | 2,454,839 | 2,477,479 | 2,499,777 | 2,521,704 | 2,543,227 |
| Debt Service:                             |           |           |           |           |           |           |           |           |           |           |           |           |           |           |
| First Mortgage                            | 1,604,645 | 1,604,645 | 1,604,645 | 1,604,645 | 1,604,645 | 1,604,645 | 1,604,645 | 1,604,645 | 1,604,645 | 1,604,645 | 1,604,645 | 1,604,645 | 1,604,645 | 1,604,645 |
| Second Mortgage                           |           | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |
| Other (List)                              |           |           |           |           |           |           |           |           |           |           |           |           |           |           |
| Asset Management Fee                      | 8,024     | 8,264     | 8,512     | 8,768     | 9,031     | 9,301     | 9,581     | 9,868     | 10,164    | 10,469    | 10,783    | 11,106    | 11,440    | 11,783    |
| Total Debt Service                        | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |
| Total Annual Cash Expenses                | 1,612,669 | 1,612,909 | 1,613,157 | 1,613,413 | 1,613,676 | 1,613,946 | 1,614,226 | 1,614,513 | 1,614,809 | 1,615,114 | 1,615,428 | 1,615,751 | 1,616,085 | 1,616,428 |
| Total Net Operating Income                | 3,640,421 | 3,701,494 | 3,764,399 | 3,829,192 | 3,895,928 | 3,964,667 | 4,035,467 | 4,108,382 | 4,183,505 | 4,260,870 | 4,340,557 | 4,422,634 | 4,507,174 | 4,594,250 |
| Debt Service Reserve                      | 627,530   | 651,816   | 675,976   | 699,991   | 723,838   | 747,495   | 770,938   | 794,141   | 817,080   | 839,725   | 862,051   | 884,025   | 905,619   | 926,799   |
| Deferred Developer Fee                    | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |
| Cash Flow                                 | 627,530   | 651,816   | 675,976   | 699,991   | 723,838   | 747,495   | 770,938   | 794,141   | 817,080   | 839,725   | 862,051   | 884,025   | 905,619   | 926,799   |
| AHF City Interest Loan                    |           | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         |

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

|                |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
|----------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| DCR Hard Debt  | 1.40 | 1.41 | 1.43 | 1.44 | 1.46 | 1.47 | 1.49 | 1.50 | 1.52 | 1.53 | 1.54 | 1.56 | 1.57 | 1.58 |
| DCR Total Debt | 1.39 | 1.40 | 1.42 | 1.43 | 1.45 | 1.46 | 1.48 | 1.49 | 1.51 | 1.52 | 1.53 | 1.55 | 1.56 | 1.57 |

|                          |      |                                                                        |
|--------------------------|------|------------------------------------------------------------------------|
| Assumptions              |      |                                                                        |
| Vacancy Rate             | 5.0% | *Please list all fees (per unit per month) and non-residential income: |
| Annual Increase Income   | 2.0% |                                                                        |
| Annual Increase Expenses | 3.0% |                                                                        |
| Other                    |      |                                                                        |

# 2024 Affordable Housing Fund-Tax Credit RFP

## Supplemental Application Questions

EC Residential, LLC (Mandel)  
Element Collective

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Response Submission Due Date: September 5, 2024 NOON

### **Instructions to Applicants:**

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

### **Message to 4% Non-Competitive Applicants:**

*Although this RFP allows applications for 4% non-competitive tax credit projects, CDD's focus remains firmly on producing 30% AMI units, Supportive Housing Units for individuals, families and veterans experiencing homelessness, Sustainability, Design, Universal Design, etc. Proposals for non-competitive 4% LITHC's will not likely be competitive in the City's AHF-TC RFP without addressing meeting those requirements and/or preferences. Please re-submit answers to the relevant questions accordingly.*

### **Questions:**

#### **A. Energy Efficiency/Sustainability**

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

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

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

Updated plans are being sent to Focus on Energy on 9/10/24 to kick off the design process. We have extensive experience working with FoE – they are involved with every development we pursue.

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

TBD. Calculation in progress. Based upon past deals we are confident that we will meet a minimum of 20% EUI.

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

TBD.

- d. If the Bundle election is less than the highest, which options and/or components were not chosen and why?

TBD.

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

- a. Solar PV size anticipated (Note: Min 30 kW required): 30-40kW  
Percent of common areas for which electricity will be provided: 100%

B. Property Management (PM)

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

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

100% and 45hrs

Anticipated Days/week (1-7): Monday-Friday, 9:00am – 5pm and Saturday 9am-2pm

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

Hours/week:

Element Collective will consist of a community manager and leasing associate, both at 40 hours a week. They will be supported by a Portfolio Director based in Milwaukee, WI. The leasing associate will be scheduled to cover the Saturday shift and provide coverage when the Community Manager is out of the office. Mandel Property Services' corporate office has support roles established to assist assets with the following functions: training, marketing, leasing, delinquency, accounting, maintenance, and asset management. It is estimated 2-4 hours per week of additional support provided by the Portfolio Director. Additional hours may be allocated by the Portfolio Director should there be a vacancy, time off or sick day requested.

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

2FTE/80 hours total

100% and 40hrs

We anticipate 2 FTE maintenance associates, including at least one full-time on-site Monday through Friday. We provide 24/7 emergency maintenance response service.

**2. Please respond to Q. 64 regarding tenant notification of non-renewal of leases.**

PM will provide a minimum of 60-day notice for any non-renewal of leases and will comply with stated limitations on rent increases per the AHF Loan Agreement.

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

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

Mandel Property Services does not currently manage any ADA accessible units in Dane County. In prior years MPSI managed in excess of 1,000 units in Dane County, both company-owned and third-party managed, including many affordable and workforce-priced units. The 578-unit company-owned property was updated under WHEDA's affordable housing preservation program to prevent income-restricted units from converting to market-rate units. This property included the requisite number of ADA accessible units per federal housing standards.

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

N/A

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

We currently manage 68 ADA fully-accessible units in our portfolio. These units are reserved from leasing unless other same-style units are fully leased. If a prospect inquiry about an ADA unit and we do not have any available, we will either attempt to relocate an existing resident to a non-ADA like unit, or they are able to join a priority waitlist for the next available unit.

**iv. Briefly describe outreach, marketing, and direct referral partnerships you have with organizations to ensure these units are appropriately filled.**

Mandel Group markets ADA units through its website together with our entire inventory of units. We collaborate with placement services and social

services organizations representing populations in need of ADA accessible units, to locate a qualifying unit within our portfolio.

**C. Ownership Structure/Development Team**

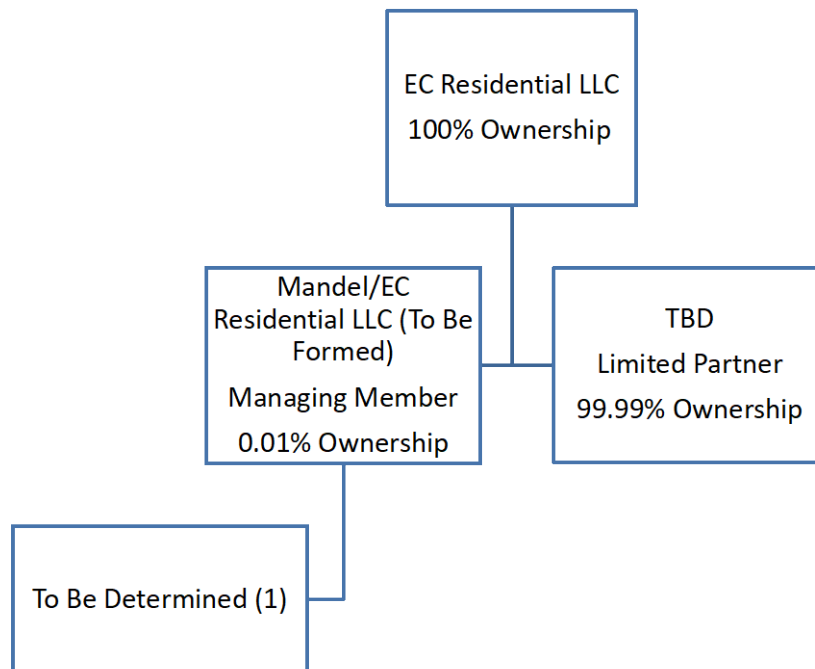
**1. Please provide an update on:**

**i. The potential partnership with non-profit developer WHPC?**

Mandel Group intends to complete this development independently at this time. Upon further review of project details WHPC has decided that the collaboration we proposed does not fit with their current business plan.

**ii. An updated Organization Chart showing the ownership structure. A typical LIHTC Organizational Chart graphically depicts the following:**

1. Project LLC as 100% Owner
2. Equity Investor (99.99%) - TBD, if not known
3. Managing Member (0.01%) Owned/Controlled by:
  - a. Entity A (%)
  - b. Entity B (%) (if applicable)
  - c. Entity C (%) (if applicable)



**Notes:**

- (1) Mandel/EC Residential LLC has not yet been formed. Barry R. Mandel will own a majority of the entity through trust(s) and/or LLCs and will also have management control of the entity. The remaining ownership will be other Mandel Group Inc. executives, as individuals, none of whom will own more than 20%.

**2. Please re-submit the table in Q. 36, contact information for the following representatives of this Development Team:**

- i. Property Management: MPSI
- ii. Architect: Engberg Anderson
- iii. Legal
- iv. General Contractor (if known)
- v. Supportive Service Coordinator: WayForward

|                  |                           |                              |                                                                                        |                |
|------------------|---------------------------|------------------------------|----------------------------------------------------------------------------------------|----------------|
| Bob Monnat       | Mandel Group              | Senior Partner               | <a href="mailto:rbmonnat@mandelgroup.com">rbmonnat@mandelgroup.com</a>                 | (414) 270-2741 |
| Dan Katt         | Mandel Group              | Development Manager          | <a href="mailto:dkatt@mandelgroup.com">dkatt@mandelgroup.com</a>                       | (414) 270-2764 |
| Elizabeth Riedel | Mandel Group              | Sr. Development Associate    | <a href="mailto:eriedel@mandelgroup.com">eriedel@mandelgroup.com</a>                   | (414) 270-2608 |
| Eric Ponto       | Engberg Anderson          | Principal                    | <a href="mailto:ericp@engberganderson.com">ericp@engberganderson.com</a>               | (414) 944-9000 |
| Ryan Loy         | Engberg Anderson          | Senior Associate             | <a href="mailto:ryanl@engberganderson.com">ryanl@engberganderson.com</a>               | (414) 944-9000 |
| Josh Roling      | Foley & Lardner           | Partner                      | <a href="mailto:jroling@foley.com">jroling@foley.com</a>                               | (414) 297-5569 |
| Sara Michalski   | Krupp General Contractors | Sr. Project Manager          | <a href="mailto:smichalski@kruppconstruction.com">smichalski@kruppconstruction.com</a> | (608)260-7005  |
| Meghan Sohns     | WayForward Resources      | Program Director             | <a href="mailto:meghan@wayforwardresources.org">meghan@wayforwardresources.org</a>     | (608)826-3416  |
| Heather Campbell | Veterans Hospital         | HUD VASH Housing Coordinator | <a href="mailto:Heather.campbell3@va.gov">Heather.campbell3@va.gov</a>                 | (608)280-2095  |
| Taylor Huss      | MPSI                      | Operations Support Manager   | <a href="mailto:thuss@mandelgroup.com">thuss@mandelgroup.com</a>                       | (414) 270-2747 |
| Steve Ruff       | MPSI                      | EVP                          | <a href="mailto:sruff@mandelgroup.com">sruff@mandelgroup.com</a>                       | (414) 270-2744 |

**3. Taking your vital involvement in the ACRE program to the next level, please elaborate on your upcoming plans to offer a meaningful opportunity to an ACRE graduate or student described in Q. 45.**

Mandel Group will hire an intern from the ACRE program specifically to assist with implementation of the Element Collective project.

**4. Development Team – BIPOC/Women Table Q. 48**

- i. Please split out Mandel Group and MPSI – Property Management

|        | Role             | BIPOC |     | Women |     | Total |
|--------|------------------|-------|-----|-------|-----|-------|
| Mandel | Developer        | 6     | 17% | 20    | 56% | 36    |
| MPSI   | Property Manager | 47    | 40% | 45    | 38% | 117   |

#### D. Unit Mix

1. It is the City's understanding that Utility Allowances are required in 4% non-competitive projects. Please resubmit Q. 71 accordingly or otherwise explain.

Utility allowances are not required, however our utility amounts included in gross rent are listed below.

2. Please also submit an updated Q. 69 Unit Mix accounting for Utility Allowances as it appears as though 100% of the rent limit is listed. Please be sure to complete the box below the Unit Mix detailing supportive housing units to address questions in the next section. If there's an alternative approach not yet described, please do so here.

These are the Utility Allowances included in our gross rents:

Studio: \$85/mo

1BR: \$98/mo

2BR: \$128/mo

3BR: \$156/mo

#### E. Supportive Housing Units (SHU's)/Supportive Housing Partnerships

1. Please clarify the SHU target population served by WayForward's Housing Stability Program. How many units, and unit sizes, will be set-aside and prioritized for direct referrals from the Coordinated Entry List for individuals and families experiencing homelessness persons with disabilities, veterans, etc.? (Q #52)

| Total # of Homeless Supportive Housing Units | Total # of Veteran Supportive Housing Units | Total # of Homeless Veteran Supportive Housing Units | Total # of Disabled/Other Supportive Housing Units | Minimum # of Supportive Housing Units |
|----------------------------------------------|---------------------------------------------|------------------------------------------------------|----------------------------------------------------|---------------------------------------|
| 1-5                                          | 5-10                                        | 5-10                                                 | 1-5                                                | 5-30 (inc 40% units)                  |

Element includes 10 30% units, 24 40% units, and 61 50% units. In talking with VASH, they believe they will have up to 10 vouchers for Veterans which could apply to 30%, 40%, and 50% units. Our proximity to the Veterans Hospital is a benefit to this target population.

WayForward can support 3-5 units at the 30% level and primarily serves Middleton and the west side of Madison. They are enthusiastic about the opportunity this high-quality project provides.

- 1. What type (e.g., assessment and referral, on-site intensive case management, etc.) and level of supportive services (% FTE and ratio of staff: household) will be provided for the SHU's by WayForward? (Q #54)**

WayForward has committed to supporting up to 5 units annually through referral to Element Collective and can provide on-site supportive services. Approximately .25FTE dedicated to Element Collective.

#### **F. Design**

- 1. Please answer questions #26 & #27 about tot lot & year-round space indoor play space.**

The green roof area will be programmed to include play areas for children of various ages. Gardner Park is located across the street and Stephens Elementary is located adjacent to Gardner Park.

#### **G. 4% Proposals & Financing**

- 1. As noted in the mtg with TIF Staff on 7/25/2024, the project needs an additional \$2.5M of funding to pay for the additional 164 parking stalls to serve University Research Park. Please provide an update on the status of funding for this cost and any other sources of financing secured or being pursued.**

Financing for the URP parking level is a separate privately financed real estate transaction from this project and will not involve public funds. The costs of the URP parking level are not included in the capitalization of the Element Collective housing development. Preliminary discussions have occurred with the City to size the approximate TIF support available. If TIF availability is insufficient to close the gap of \$2.5 million, URP will be required to source other funding to fill the gap.

- 2. If this proposal does not obtain an adequate award from the City in AHF and/or TIF during this RFP cycle, would a competitive 4%+4% application be considered? Please explain relevant considerations and restraints.**

No. In analyzing the State 4% credit, our financial consultants have determined that the additional gap created by meeting the additional necessary QAP criteria cannot be supported by the project's currently available financial resources.