

**City of Madison
Community Development Division**

**Response to Request for Proposals 2017 WHEDA Tax-Credits
Rental Housing Development**

Submitted by MSP Real Estate, Inc.

August 18, 2016

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

RE: 2017 WHEDA Tax-Credits Rental Housing Development Affordable Housing Fund
RFP Response

Dear Susan,

MSP Real Estate Inc. is pleased to present our application for the Community Development Division's Affordable Housing Fund for our Normandy Square affordable housing development.

MSP Real Estate specializes in developing and operating senior and multifamily affordable developments in the Midwest. Over the past 25 years, MSP has developed approximately 40 projects in the Midwest and we have substantial experience using TIF, tax-exempt bond financing, tax credits, and other financing tools to reposition sites into vibrant communities. We are a long-term owner with a strong track record of getting complicated projects across the finish line and exceeding expectations in the communities in which we work.

An essential component to our ability to deliver high quality projects is having our own subsidiary construction company, MSP Construction. Having our own construction company also allows us to deliver projects with quality architecture and building materials while staying within budget and delivering projects on time. MSP is uniquely positioned to provide all facets of the development, construction, design review, and ongoing management services like no other company in the state.

Our proposal, Normandy Square offers:

- A highly experienced hands on development team with over 25 years experience and over 1,400 affordable units working with WHEDA and the Low Income Housing Tax Credit program.
- Extensive additional experience with our development team partners, Foley & Lardner, SVA & Dimension IV Architects.
- A high level of supportive services will be provided through Community Action Coalition, Middleton Outreach Ministry and Madison-area Urban Ministry.
- A project location that will be a high scoring WHEDA project, above previous year's awardee benchmarks.
- Convenient location offers ready access to bus service, schools, employment and services.
- A "west side" Affordable Housing Fund award location for the City of Madison to meet the Affordable Housing Initiatives Fund Objectives of increasing the supply of safe, quality, affordable rental housing "throughout the city."

We look forward to your response.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark Hammond', with a stylized flourish at the end.

Mark Hammond

Director of Development & General Counsel

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Section 1: Application

Affordable Housing Fund (AHF) Application

This application form should be used for projects seeking City of Madison AHF funds including those seeking WHEDA Low-Income Housing Tax Credits and those requesting other City funding. Applications must be submitted electronically to the City of Madison Community Development Division by **noon on Thursday, August 18, 2016**.

Email to: cddapplications@cityofmadison.com

APPLICANT INFORMATION

Proposal Title:	Normandy Square		
Amount of Funds Requested:	\$1,240,000	Type of Project:	<input checked="" type="checkbox"/> New Construction <input type="checkbox"/> Acquisition/Rehab
Name of Applicant:	MSP Real Estate, Inc.		
Mailing Address:	1295 Northland Drive, Suite 270, Mendota Heights, MN 55120		
Telephone:	414-259-2108	Fax:	952-935-7202
Admin Contact:	Mark Hammond	Email Address:	mhammond@msphousing.com
Project Contact:	Mark Hammond	Email Address:	mhammdon@msphousing.com
Financial Contact:	Jim Rodgers	Email Address:	jrodgers@msphousing.com
Website:	www.msprealestateinc.com		
Legal Status:	<input checked="" type="checkbox"/> For-profit <input type="checkbox"/> Non-profit	Type of LIHTC Application:	<input type="checkbox"/> 4% <input checked="" type="checkbox"/> 9%
Federal EIN:	41-1630478	DUNS #:	

AFFIRMATIVE ACTION

If funded, applicant hereby agrees to comply with the City of Madison Ordinance 39.02 and file either an exemption or an affirmative action plan with the Department of Civil Rights. A Model Affirmative Action Plan and instructions are available at <http://www.cityofmadison.com/dcr/aaplans.cfm>.

LIVING WAGE ORDINANCE

If funded, applicant hereby agrees to comply with City of Madison Ordinance 4.20. The Madison Living Wage for 2016 is \$12.83 per hour and will be \$12.85 per hour for 2017. For more info, see <https://www.cityofmadison.com/finance/wage/>.

LOBBYING REGULATED

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

CITY OF MADISON CONTRACTS

If funded, applicant agrees to comply with all applicable local, state and federal provisions. A sample contract that includes standard provisions may be obtained by contacting the Community Development Division at (608) 266-6520.

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

SIGNATURE OF APPLICANT

Enter Name: Mark Hammond

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

Date: 8-15-2016

PROPOSAL DESCRIPTION

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

MSP Real Estate is pleased to propose Normandy Square, a 75-unit workforce housing development nestled in the heart of Madison's west side. This development marks the transformation of an underutilized 1.67 acre parking lot into a mix of 1, 2, and 3-bedroom housing units with excellent access to public transportation, jobs, schools, grocery stores, and many other linkages. The project will also have a small commercial space available.

This proposed new construction project fills a void in the west side by providing new, clean, safe, and affordable housing in Aldermanic District 19.

The excellent linkages of this site will provide many opportunities for its residents to walk to work and school.

The project will have an immediate positive impact for the community, by transforming a predominantly retail area into a vibrant mixed-use pocket on the west side. Indeed, the project itself will be a mixed-use building, including approximately 2,000 sf of commercial space on the first floor.

2. Describe the project organizational structure. Please attach an organizational chart.

The property will be an LLC with MSP Real Estate, Inc. or its assigns as the 49% managing member. West Central Wisconsin Community Action Agency, Inc. (West CAP), our non profit partner on other previously awarded tax credit developments, will also be a managing member with 51% majority ownership. The limited partner will be the investor entity who will be purchasing the Low Income Housing Tax Credits.

See Section 1, Project Organizational Chart for further details.

AFFORDABLE HOUSING INITIATIVES FUND OBJECTIVES

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

- ☒ Increase the supply of safe, quality, affordable rental housing throughout the City.
- ☐ Preserve existing affordable rental housing throughout the City.
- ☒ Increase the availability of affordable housing with supportive services for individuals/households with incomes at or below 30% of County Median Income (CMI).
- ☒ Increase the availability of affordable housing with supportive services for larger families, including families experiencing, or at risk of, homelessness with incomes at or below 30% of CMI.
- ☒ Increase the availability of affordable housing with supportive services, for individuals re-entering the community from prison with incomes at or below 30% of CMI.

AFFORDABLE HOUSING NEEDS

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

MSP Real Estate has extensive experience in identifying affordable housing needs since 1991 and creating affordable housing developments throughout Wisconsin, Minnesota and Indiana (See Section 2 attached for further information). While these developments are not specific to the City of Madison, the expertise required to properly assess affordable housing needs is directly transferable to the City of Madison Metropolitan market. Currently our assessment within Aldermanic District 19 on the west side of Madison indicates there are only 2 affordable housing developments, one family, one elderly, with the last family site being developed in 1990. Enclosed is a market snapshot from Dale Mussatti, Lexington Realty Services that indicates very strong demand for affordable housing on the west side of Madison (See Section 6). We anticipate reaching full occupancy for this development easily within 3-6 months of construction completion.

5. Identify if a market study has been done and, if so, summarize its findings and attach a copy of the report. If a market study has not yet been completed, please describe the anticipated demand for the proposed target populations served.

A formal WHEDA required market study has not been commissioned at this time however our market study provider, Dale Mussatti, Lexington Realty Services did provide a 'market snapshot' which indicated VERY strong demand for affordable housing for 6509 Normandy Lane. A review of our market snapshot indicates the prevailing demographics will provide an overall capture rate of .4% and an overall penetration rate of 6.9% indicating VERY strong demand for this housing in this market. See Section 6 of the attached documents for the market snapshot information.

PROPOSAL GOALS

6. Provide the total number of units proposed, the number of affordable units proposed and the number of units proposed to be assisted with City AHF.

Total # of Units Proposed: 75

Number of Affordable Housing Units Proposed: 62

Number of Affordable Units Proposed to be Assisted with City AHF: 62

SUPPORTIVE SERVICES INCLUDED

7. Provide a detailed description of the type and level of supportive services (such as assessment and referral or on-site comprehensive case management) that will be provided to residents of the proposed project.

Twenty percent of the units will have rents affordable to households earning below 30% of the county median income. It is anticipated that residents residing in these units will most directly benefit from available supportive services. The supportive services available to the residents of Normandy Square will be provided for by the following non-profit agencies: Community Action Coalition (CAC), Middleton Outreach Ministry (MOM) and Madison-Area Urban Ministry (MUM). This doesn't preclude however other supportive agencies interfacing with the residents of Normandy Square. Future residents that we anticipate receiving supportive services at Normandy Square are Veterans (Homeless/Nearly Homeless), Homeless/Nearly Homeless Families that meet Federal Poverty Guidelines and Prison ReEntry individuals.

Supportive services for the residents will be delivered based on individual assessment and referral by the respective supportive service agencies. These services will involve active off-site case management by the supportive service provider which is regular and as intensive as necessary. Phone and/or direct in person contact can be as often as weekly for extended periods of time, up to two years possible, and tapered off as individual needs change.

See Attached Documentation Labeled Question 7 at end of this application section for additional details regarding supportive services for Normandy Square.

8. Provide information on any supportive service partnerships that have been or will be formed in order to ensure the success of the development. Identify the agency/agencies or company who will provide supportive services, if applicable.

MSP Real Estate has received support letters from three 'supportive services' agencies.

Community Action Coalition.

Middleton Outreach Ministry

Madison-area Urban Ministry

See attached support letters Labeled Question 8 at end of this application section.

POPULATION SERVED

9. Describe the population/s you intend to serve (e.g., families, individuals and families experiencing homelessness, people with disabilities, individuals re-entering the community from prison, veterans, seniors, individuals).

Normandy Square will be designed and built such that no population or specific demographic is precluded from applying for housing. The unit mix, amenities, and design elements will allow us to serve singles, families, seniors, veterans, persons with disabilities, prison reentry and those who may be homeless or at a risk of homelessness. Twenty percent of the units will have rents affordable to households earning below 30% of the county median income that we anticipate receiving additional supportive services from our supportive service care agencies targeted to provide services at Normandy Square.

SITE INFORMATION

10. In which of the following areas on the Affordable Housing Targeted Area Map (attached to the RFP) is the site proposed located? Please check one.

- ☐ Preferred Areas (New Construction Only)
☒ Eligible Areas (New Construction & Acquisition/Rehabilitation)
☐ Opportunity Areas (Ineligible for New Construction, but Preferred for acquisition & rehabilitation proposals).

11. Identify the specific site address and neighborhood. Identify if applicant has site control.

6509 Normandy Lane, Madison WI 53719.

This address is just south of the Parkwood Hills Community/Neighborhood.

MSP Real Estate does have site control through an offer to purchase that allows control to be retained until August 31, 2017.

12. Explain why this site was chosen and how it helps the City to expand affordable housing opportunities where most needed? Describe the neighborhood and surrounding community. Provide the streets of the closest major intersection. (Attach a map indicating project location. Include one close-up map of the site and a second map to show the site in context of the City.)

The subject site located at 6509 Normandy Lane on the corner of Normandy Lane and South Yellowstone Drive was chosen due to its close proximity to jobs, public transportation, schools, and lack of affordable housing in the area. This site is located in Aldermanic District 19 on the west side of Madison and there are only 2 affordable housing developments in this district, with the last family development being developed in 1990. The site is within 1/2 mile of bus routes 14, 63, 67, and 73. The surrounding community is mostly retail and this allows great access for residents to walk or bike from their home to their jobs. The site has a 71 walk score which is labeled as "Very Walkable" and most errands can be accomplished on foot and a 93 bike score which is classified as a "Biker's Paradise" and has excellent bike lanes to get around the City of Madison. The Struck Canyon Bike Path Underpass of the Beltline is located less than 1/2 mile from the site (Hwy. 12/14) connecting Grand Canyon Dr. and Seybold Rd. in Madison, WI which is near the Woodmans Grocery Store on Watts Road. This site is also within a 1/2 mile of census tract 4.05 which is identified as a High Needs census tract under WHEDA guidelines.

This site was also chosen as an opportunity for the City of Madison to award a 'westside' location an Affordable Housing Fund award. In the previous two years a westside location has not received an award. This site assists the City Affordable Housing Initiatives Fund Objectives of increasing the supply of safe, quality, affordable rental housing 'throughout the city.'

See the attached maps in Section 1 showing the close up of the site and another map showing where the site is located in context of the City.

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

There is no existing building on the proposed site. It is currently a parking lot.

14. Identify if the following amenities are within 1 mile of the proposed site.

Type of Amenities & Services	Check if Within 1 Mile
Full Service Grocery Store	x - Copps Grocery Store, .88 miles -Woodman's Food Market, .63 miles -WalMart, .80 miles -Metcalf's Market - .84 miles

Public Elementary School	.x - Muir Elementary School, .72 miles
Public Middle School	x - Jefferson Middle School, .66 miles
Public High School	x - Madison Memorial High School, .51 miles
Job-Training Facility, Community College or Continuing Education Programs	x - MATC West Campus, .59 miles
Childcare	x - Community Coordinated Child Care, Inc., .26 miles
Library	x-Madison Memorial Library, .51 miles
Neighborhood or Community Center	x - Lussier Community Education Center, .73 miles
Full Service Medical Clinic or Hospital	x - UW Health West Towne Clinic, .64 miles - UW Health Oakwood Clinic, .36 miles
Pharmacy	x - CVS Pharmacy, .25 miles -Sam's Club Pharmacy, .67 miles -Shopko Pharmacy, .86 miles -UW Health Pharmacy, .90 miles
Public Park or Hiking/Biking Trail	x - Nautilus Point Park, .38 miles -Mineral Point Park, .50 miles -Garner Park, .82 miles
Banking	x - Great Midwest Bank, .12 miles -U.S. Bank, .42 miles -Wells Fargo Bank, .44 miles -Associated Bank, .49 miles
Retail	x - West Towne Mall, .52 miles -Market Square Center, .01 miles -Kohl's, .84 miles -Shopko, .86 miles
Restaurants	x - Delaney's, .08 miles -La Mestiza, .03 miles -Twist Bar & Grill, .15 miles -Nani Restaurant, .18 miles -Ginza of Tokyo, .26 miles -Sa-Bai Thong Thai Cuisine, .28 miles

	-Chick-fil-A, .47 miles
Other:	-Bike Trails .02 miles -Total Dental Care, .29 miles -Midwest Dental Madison West, .71 miles -Oak Park Dental, .22 miles -Wellspring United Methodist Church, .88 miles -Lutheran Church of Living Christ, .94 miles -Starbucks, .43 miles

15. What is the distance between the proposed site and seven-day a week transit stops (i.e. weekday and weekends)? List the seven-day transit stop street intersections and describe any other transit stops (include street intersections and schedule) located near the proposed site.

Bus route 67 is located 1/4 mile or 3 blocks from the proposed site that runs 7 days per week. It is located on the corner of Mineral Point Road and South Yellowstone Drive. It is also located in the same proximity on Mineral Point Road and Grand Canyon Drive.

Route 14 is located .3 miles from the site and offers weekday services during peak hours (6AM - 9AM & 3PM - 7PM) and off peak hours (9AM - 3PM & 7PM - Midnight). This route can take you to Wexford Ridge to Captiol Square and East Transfer Point. This route is located at the cross section streets of Mineral Point Road and Grand Canyon Drive.

Route 63 is located one block from the site and offers services during the weekend and Holidays. It can take you from the West Transfer Point to Prairie Town Center. This route is at the cross section streets of Odana Road and Grand Canyon Drive.

Route 73 is also located one block from the site and offers weekday services during peak and off peak hours. This route takes you from the West Transfer Point to Middleton Greenway Station. The route is at the cross section streets of Odana Road and Grand Canyon Drive.

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

Normandy Square is .72 miles from John Muir Elementary School. Jefferson Middle School is .66 miles away from Normandy square.

Speaking to Micheal LaCount at the Madison Metropolitan School District (608) 442-2898, the location of Normandy Square would allow for Elementary school-aged students (4-year-old kindergarten through fifth grade) to be eligible for District-provided, yellow bus transportation. Included is the actual email we have received from the Madison Metropolitan School District. See attached email Labeled Question 16 at the end of this Application Section.

Middle school age kids are not eligible for District provided, yellow bus transportation and bus service would be provided by the Madison Metro Transit (bus) service. The Route 14 bus would provide the mass transit option for the middle school children to ride the bus to both John Muir Elementary School and Jefferson Middle School. Service on this route is limited service however the times coincide with the school day. Middle school children could catch the Number 14 bus at the cross section streets of Mineral Point Road and Grand Canyon Drive which is .3 miles from the site. This intersection is lighted with a Pedestrian Walk/Don't walk signage.

As well the location of the site .66 miles from the middle school would allow a walkable, safe route to and from school.

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

Normandy Square residents will have multiple options of choosing how to get around as most amenities and services they need will be accessible by bike ride or within walking distance. They can also get on the 4 bus routes that range from .1 mile to no more than .3 miles, routes 14, 63, 67, & 73, that can connect them to other areas of the City of Madison as well as to Middleton's Greenway Station (bus route 73). Route 73 can take residents to the Copps Food Center (.88 miles). Muir Elementary School offers after-school child care that allows students to be at the school until 5:00 PM and Route 14 which is located .3 miles from the site can be taken. Route 14 also can take residents to the Wexford Ridge Neighborhood Center, now known as the Lussier Community Education Center. Lussier Community Education Center is less than 3/4 of a mile from the site. This community center provides after school activities, summer programs, community leadership meetings, food programs, and employment and technology programs.

Community Coordinated Child Care, Inc. is located .26 miles away (3 blocks) from the site. It is also located along bus routes 63 & 73. Route 73 is offered during the week at peak (6 AM - 9AM, 3 PM - 7PM) and off peak (9 AM - 3 PM, 7 PM - Midnight). Route 63 is offered during the weekend and holidays.

The site scored a 93 bike score which is classified as a "Biker's Paradise" and has excellent bike lanes for the residents to get around the City of Madison. The Struck Canyon Bike Path Underpass of the Beltline is located less than 1/2 mile from the site (Hwy. 12/14) connecting Grand Canyon Dr. and Seybold Rd. in Madison, WI which is near the Woodmans Grocery Store on Watts Road. The site also scored a 71 walk score which is labeled as "Very Walkable" and most errands can be accomplished on foot. The project will also be providing underground and surface parking, but with the high walk and bike scores the residents will have a full range of choices on which method (walk, bike, bus, auto) they prefer to get around the City of Madison and not have to rely solely on an automobile for their transportation needs.

Discussions with the City of Madison traffic engineering department also indicated that new pedestrian safety features will be added to the intersection of Yellowstone Drive and Mineral Point Road sometime over the next 12 months which allows residents of Normandy lane another 'marked' pedestrian crosswalk across Mineral Point Rd to the north, this intersection is .2 miles from our site.

18. Describe the impact this housing will have on the schools in this area. Please include information on school enrollment data (e.g., at capacity, above capacity, below capacity); how this housing development will impact the schools' enrollment; and how many elementary and middle school children are projected to live at the proposed housing development.

Staff from the Madison Metropolitan School District - Research and Program Evaluation Office provided the following information contained in the report 'K-12 Enrollment History and Projections Fall 2015' (Updated February 2016).

	2015-2016 Student Capacity	2015-2016 Third Friday	2015-2016 Percent Capacity Enrollment
John Muir Elementary	453	397	88%
Jefferson Middle School	540	522	97%
Memorial High School	2,323	1,920	83%

There are numerous improvements planned at Jefferson Middle School that will increase the school's capacity however the exact increase is unknown at this time.

We contacted Kristian Chavira, Department of Research, Accountability & Data Usage who indicated the City was using the methodology most recently issued in the 'Vandewalle Student Enrollment Projections' methodology. That method elicited that 4 children COULD be added to the school's enrollment calculated as follows:

MMSD Enrolled Student Generation Rates in Recent Developments (2015-2016) For Urban Residential

	Elementary	Middle	High	Total
Large 4 Story M.F.	.033	.008	.0010	.051
Size of Development	74	74	74	74
Number of Students Generated	2.44	.59	.07	3.77

Rounded up to 4 students.

As well Kristian Chavira stated there may not be an increase in the number of students with this housing mainly due to families simply moving around within the school district boundaries and therefore not creating any net increase in need.

We are projecting based on the unit mix and income levels that approximately 12-16 children will live at Normandy Square.

19. Describe the historical uses of the site, if any, any environmental remediation activities planned, completed or underway, and/or any existing conditions of environmental significance located on the proposed site.

To the best of our knowledge, including interviewing the current owner who's family developed this site in the 1970s, this site was formerly agricultural land followed by retail Market Square Development, where it was developed as a parking lot. No significant environmental mitigation issues are expected at the site. A Phase I study has not been done at this time.

20. Provide a legal description of the property.

A PART OF LOTS 66 & 67, 7TH ADD. TO PARK TOWNE, & A PART OF LOT 108, 10TH ADD. TO PARK TOWNE, AND ALL OF LOTS 102 THRU 107, AND 109 THRU 114, 10TH ADD. TO PARK TOWNE, AS LOCATED IN THE NE1/4 & THE NW1/4 OF SECTION 25, T7N, R8E, CITY OF MADISON, DANE COUNTY, WI, DESCRIBED THUSLY: BEGINNING AT THE NORTHEAST CORNER OF THE SAID LOT 66; THENCE S89°01'51"E 242.00 FEET; THENCE ALONG A CURVE TO THE RIGHT OF RADIUS 150 FEET AND LONG CHORD OF S68°20'53"E 105.96 FEET; THENCE S49°39'54"E 215.68 FEET; THENCE ALONG A CURVE TO THE LEFT OF RADIUS 550 FEET AND LONG CHORD OF S53°04'57"E 103.85 FEET; THENCE S58°30'E 83.74 FEET; THENCE ALONG A CURVE TO THE RIGHT OF RADIUS 25 FEET AND LONG CHORD OF S13°30'E 35.36 FEET; THENCE S31°30'W 33.41 FEET; THENCE ALONG A CURVE TO THE LEFT OF RADIUS 433 FEET AND LONG CHORD OF S15°15'03"W 242.32 FEET; THENCE S0°59'54" E 253.04 FEET; THENCE ALONG A CURVE TO THE RIGHT OF RADIUS 25 FEET AND LONG CHORD OF S44°00'06"W 35.36 FEET; THENCE S89°00'06"W 58.00 FEET; THENCE ALONG A CURVE TO THE RIGHT OF RADIUS 300 FEET AND LONG CHORD OF N69°19'54"W 221.52 FEET; THENCE N47°39'54"W 551.07 FEET; THENCE N42°20'06" E 9.23 FEET; THENCE N16°35'16"E 80.57 FEET; THENCE S88°54'32"E 23.76 FEET; THENCE N1°09'22"E 149.96 FEET (PREV. REC'D AS N1°05'28"E 150.05'); THENCE N89°03'27"W 101.12 FEET; THENCE N73°23'39"W 38.38 FEET TO THE SW COR. OF THE SAID LOT 66; THENCE ALONG A CURVE TO THE LEFT OF RADIUS 350 FEET AND LONG CHORD OF N6°10'17"E 87.37 FEET. THENCE N0°59'54"W 76.48 FEET; THENCE ALONG A CURVE TO THE RIGHT OF RADIUS 15 FEET AND LONG CHORD OF N45°58'09"E 21.21 FEET; THENCE S89°01'51"E 170.00 FEET TO THE POINT OF BEGINNING.

21. Identify the current zoning classification of the site. Describe any necessary zoning-related approvals (re-zoning, conditional use, demolition, zoning variance, etc.) that must be obtained for the proposal to move forward.

The current zoning is Commercial Center (CC). Multifamily housing of the density we are proposing is a permitted use by a Conditional Use permit. This project will also require Urban Design Commission (UDC) approval.

22. Describe the proposed project's consistency with adopted planning documents, including the City of Madison Comprehensive Plan, the Neighborhood Plan(s) and any other relevant plans.

Our proposed Normandy Square project is consistent with the City of Madison Comprehensive Plan.

See attached documentation labeled Question 22 at the end of this application for additional references from the City of Madison Comprehensive Plan.

23. List the name(s) of the City of Madison Planning Division staff that you met with to discuss your application and briefly summarize the results of that meeting.

We have spoken with the following City of Madison Planning Division staff: Heather Stouder, Jay Wendt, Tim Parks, Matt Tucker, and Kevin Firchow.

Heather confirmed that this project is supportable as a mixed-use building in the CC zoning district.

24. Describe the response and level of support of the alderperson of the district in which the proposal is located? What issues or concerns with the project did s/he identify, if any?

Alder Mark Clear stated the following regarding the project:

"I'm glad to see interest in this parcel after 8 years of being underutilized."

"I'm very supportive of the affordable component of this project."

"This is a quiet and safe area. The project will provide an additional customer base for adjacent retail, restaurants, and coffee shops."

Alder Clear's only concern was that "while soccer fields are nearby, the more traditional parks that are nearby require crossing Mineral Point Road to be accessed by future residents."

However, Alder Clear stated that: "The pros outweigh the cons. I support this project."

25. Describe the neighborhood input process, including notification to and input from the nearby Neighborhood Association(s), either already underway or planned. If that process has begun, please summarize its results to date.

The project is not currently within a neighborhood association. However, we have had initial discussions with Alder Clear and Dave Mann, the President of Parkwood Hills Neighborhood Association (the largest and closest neighborhood association to the site) regarding the project. We have a meeting scheduled with Dave Mann for August 25th to discuss the potential for Parkwood Hills to include this project within their association. The concept discussed would be for Parkwood Hills to include residents living in this building in their many neighborhood events, including activities like Easter Egg Hunts, Trick-or-treating, and the like. Dave Mann's initial thoughts are that this sort of concept would receive the support of his Board, but he would not know with certainty until they meet in September.

Alder Clear additionally offered to arrange informational neighborhood meetings with Parkwood West Condo Association, Parkwood Village Condo Association, and Marbella Condo Association. We have targeted these meetings to take place on Sept 11th or Sept 12th, depending on schedules.

SITE AMENITIES

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

Normandy Square's exterior amenities will include private balconies and patios for each unit, a playground, a natural outdoor play space, and a substantial open play area for school-aged children to recreate. Common area amenities will include a community room for tenants and guests that will feature a full kitchen along with a Flat screen TV. There will also be an on-site manager that will have a leasing office to assist residents at the property. There will be underground parking that will cost an additional \$40/space and free surface parking.

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

The units will feature vinyl plank flooring in the kitchen and living room, and carpet in the bedrooms. Each unit will have its own washer and dryer. All units will include stainless steel refrigerator, dishwasher, range, and microwave. The

building will offer free basic internet connection to all residents. There will be no smoking in the building. There will be no difference between the LIHTC and market rate units.

PROPOSAL ACTIVITIES

28. Please describe activities/benchmarks and associated completion dates to illustrate how your proposal will be implemented (e.g. as acquisition, finance closing, zoning-related applications and approvals, start of construction, end of construction, available for occupancy, rent-up, etc).

Activity/Benchmark	Estimated Month/Year of Completion
Submission of Application for Zoning Change &/or Conditional Use Permit	10/2016
Plan Commission Approval for Rezoning &/or Conditional Use Permit	12/2016
Submission of Application for Urban Design Commission Approval	10/2016
Urban Design Commission Approval	11/2016
Application to WHEDA	02/2017
Complete Equity & Debt Financing	07/2017
Acquisition/Real Estate Closing	08/2017
Rehab or New Construction Bid Publishing	09/2017
New Construction/Rehab Start	04/2018
Begin Lease-Up	01/2019
New Construction/Rehab Completion	04/2019
Occupancy Permit Obtained	04/2019
Complete Lease-Up	09/2019

PUBLIC PURPOSE AND RISK

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

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

DEVELOPMENT TEAM

30. Identify all key roles in your project development team, including architect, general construction contractor, legal, property management, supportive services provider, and any other key consultants, if known.

Name	Company	Role in Development	Contact Person	Phone
Jerry Bourquin	Dimension IV-Madison	Architect	Jerry Bourquin	608-829-4452
Katie Rist	Foley & Lardner	Attorney	Katie Rist	608-258-4317
Shawn Banks	MSP Property Management	Property Management	Shawn Banks	414-397-2408
Glen Weyenberg	SVA	Consultant/Accountant	Glen Weyenberg	608-826-2005
Steve Saucke	MSP Construction, Inc.	General Contractor	Steve Saucke	608-375-4470
Mark Hammond	MSP Real Estate	Developer	Mark Hammond	414-259-2108

Jim Rodgers	MSP Property Management	Asset Management	Jim Rodgers	608-335-1635
Libby Rowe	Community Action Coalition	Supportive Service Provider	Libby Rowe	608-246-4730
Al Ripp	Middleton Outreach Ministry	Supportive Service Provider	Al Ripp	608-826-3408
Linda Ketcham	Madison-area Urban Ministry	Supportive Service Provider	Linda Ketcham	608-256-0906
Peter Kilde	WestCap	Non Profit Majority Managing Member	Peter Kilde	715-265-4271

EXPERIENCE AND CAPACITY

31. Please describe the development team's experience in obtaining LIHTC's. Be sure to:

- Address years in existence, experience with public/private joint ventures, experience developing low-income multifamily housing or other affordable housing, staff qualifications, financial capacity of organization to secure financing and complete proposed project, past performance that will contribute to the success of the proposal.
- Identify how many LIHTC and/or affordable housing units your organization has created in the past five years.
- Include specific information on the experience of the proposed property management partner, including number of years experience, number of units managed and performance record.
- If applicable, include information on your experience developing housing that provides support services.
- If applicable, include specific information on the supportive service provider agency or company, years of experience and relevant information.

(Attach additional information as necessary)

See Section 2. of the attached documentation.

32. Please list any architectural awards, service awards or green building certifications.

Lousiana Oaks Apartments, (MSP Real Estate developed and completed construction in 2002) was a 200 unit market rate development in St. Louis Park, (Minneapolis Suburb) MN. This property was recognized as the 2006 MADACS, (Multi Housing Achievement in Design, Advertising, & Community Support), "Property Excellence Award-Best New Development- Market Rate" in the Twin Cities. MSP sold this property in April of 2015.

MSP has built it's last 5 tax credit projects to the Wisconsin Green Built Home certified standard to ensure maximum points in this category for WHEDA. Those 5 projects are located in Waukesha, New Berlin, Middleton and Chippewa Falls.

REFERENCES

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

Name	Relationship	Email Address	Phone
Larry Lightfield	Banking	LMLightfield@Bremer.com	715-231-7955
Kevin Kilbane	Tax Credit Equity	Kevin.Kilbane@RaymondJames.com	216-509-1342
Abby Attoun-Tucker	Community Development	aattoun@ci.middleton.wi.us	608-821-8343

HOUSING INFORMATION & UNIT MIX

34. Provide the following information for your proposed project. List 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, rent, for that particular address &/or phase. Attach additional pages if needed.

ADDRESS #1:		6509 Normandy Lane									
		# 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%	15	0	10	0	5	0		472		654	
40%	0	0	0	0	0	0					
50%	30	0	20	5	5	0		787	945	1091	
60%	17	0	5	12	0	0		945	1134		
LIHTC Sub-total	62	0	35	17	10	0	Notes: Utility Allowance for 1 BR is \$60, 2 BR \$71, and 3 BR \$84. Residents will pay for electric. The property will pay for water, sewer, trash, gas (heat), and basic in-unit internet service.				
Market*	13	0	5	8	0	0					
Total Units	75	0	40	25	10	0					

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

ADDRESS #2:											
		# of Bedrooms					Projected Monthly Unit Rents, Including Utilities				
% of County Median Income (CMI)	Total # of units	# of Studios	# of 1 BRs	# of 2 BRs	# of 3 BRs	# of 4+ BRs	\$ Rent for Studios	\$ Rent for 1 BRs	\$ Rent for 2 BRs	\$ Rent for 3 BRs	\$ Rent for 4+ BRs
≤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					
LIHTC Sub-total	0	0	0	0	0	0	Notes:				
Market*	0	0	0	0	0	0					
Total Units	0	0	0	0	0	0					

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

35. Identify if your proposal includes any of the following features (Check all that apply):

- ☒ Incorporates accessibility features
- ☒ Incorporates energy efficiency features
- ☐ Involves lead paint removal, if rehab
- ☐ Involves asbestos removal, if rehab
- ☒ Smoking not allowed inside the property

Utilities included in rent: ☒ Water/Sewer ☐ Electric ☒ Gas ☒ Free Internet In-Unit ☐ Other:

36. Describe the level of accessibility you plan to provide. Identify the number of accessible units and the specific type of accessibility modifications that will be incorporated.

The project will have 15 units that provide a level of accessibility to ensure maximum point allocation from WHEDA under their Universal Design Criteria. Specifically the common area and the units will provide the following levels of accessibility features.

Common Area Features:

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

Unit Features. Minimum of 20% of the Units, (15 units) unless otherwise indicated

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

See Question 36 in the Additional information on accessibility features.

37. Describe the energy efficient features you plan to provide, the energy standard to be achieved, and the resulting monthly utility saving.

This project will be built to score greater than 150 points from the Wisconsin Green Built Homes Checklist. Some of the features will include all appliances being energy star rated, LED lights, 95% or higher efficiency furnace, and high efficiency air conditioner for common areas (14 Seer A/C system).

38. For proposals that include rehabilitation, have you completed a capital needs assessment for this property? If so, summarize and attach a copy of the capital needs assessment.

N/A. Project will be new construction.

39. Real Estate Project Data Summary

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

	# of Units Prior to Purchase	# of Units Post- Project	# Units Occupied at Time of Purchase	# Tenants to be Displaced*	# of Units Accessible Current?	Number of Units Post- Project Accessible?	Appraised Value Current (Or Estimated)	Appraised Value After Project Completion (Or Estimated)	Purchase Price
Address:	6509 Normandy Lane								
	0	75	0	0	0	15			\$850,000
Address:	Enter Address 2								
Address:	Enter Address 3								

40. If any business or residential tenants will be displaced temporarily or permanently, please describe relocation plan and assistance that you will implement or have started to implement.

N/A

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

- ☒ A completed Application Budget Workbook, showing the City's proposed financial contribution.
- ☒ A project organizational structure chart.
- ☒ A close-up map of the site and a second map showing the site in the context of the City.
- ☒ Description of the development team's experience in:
 1. Obtaining and utilizing Section 42 tax credits.
 2. Participating in public/private joint ventures.
 3. Developing multifamily housing for low-income households.
 4. Property management.
 5. Providing supportive services, if the proposal includes such services
 6. Developing multifamily housing that has received architectural awards or green building certification.
- ☒ WHEDA self score detail based on WHEDA's scoring criteria.
- ☐ A current appraisal of the property and an after-rehab/construction appraisal of the property, if available at the time of application.
- ☐ A recent market study, prepared by a third-party market analyst, if available at the time of application.
- ☐ A Capital Needs Assessment report of the subject property, if the proposal is for a rehabilitation project and if the report is available at the time of application.

NOTE: If an appraisal, market study or needs assessment is not available at the time of application, and the proposal is funded through this RFP process, these items must be submitted to the City at least 10 days prior to the submittal of these items to WHEDA with the 2017 LIHTC application.

APPLICANT:

MSP Real Estate, Inc.

1. CAPITAL BUDGET

Enter the proposed project funding sources.

FUNDING SOURCES

Source	Amount	Non-Amortizing (Y/N)	Rate (%)	Term (Years)	Amort. Period (Years)	Annual Debt Service
Permanent Loan-Lender Name:						
First Mortgage	\$ 4,390,842	Y	5%	15	35	272,679
Subordinate Loan-Lender Name:						
Subordinate Loan-Lender Name:						
Tax Exempt Loan-Bond Issuer:						
AHP Loan	\$ 850,000	N	0%	30	30	0
City-LTD Loan	\$ 620,000	N	0%	30	30	0
City-Interest Loan	\$ 620,000	Y	2%	16	30	28,629
City-TIF Loan						
Other-Specify Grantor:						
Other-Specify Grantor:						
Other-Specify Grantor:						
Tax Credit Equity	\$ 7,252,182					
Historic Tax Credit Equity						
Deferred Developer Fees	\$ 281,308					
Owner Investment						
Other-Specify:						
Total Sources	\$ 14,014,332					

Construction Financing			
Source of Funds	Amount	Rate	Term (monthly)
Construction Loan-Lender Name:			
Bridge Loan-Lender Name:			
Tax Credit Equity:			
Total	\$ -		

Estimated pricing on sale fo Federal Tax Credits:

\$ 0.99

Remarks Concerning Project Funding Sources:

APPLICANT:

MSP Real Estate, Inc.

2. PROJECT EXPENSES

Enter the proposed project expenses

Acquisition Costs	Amount
Acquisition	850,000
Title Insurance and Recording	20,000
Appraisal	8,000
Predvlpmnt/feasibility/market study	7,000
Survey	6,500
Marketing	75,000
Relocation	0
Other (List)	
	0
Construction:	
Construction Costs	9,360,000
Demolition	0
Soils/Site Preparation	8,000
Construction Mgmt	740,000
Construction Interest	250,000
Permits; Print Plans/Specs	0
Landscaping, Play Lots, Signage	0
Other (List)	
Taxes	16,000
Fees:	
Architect	195,000
Engineering	18,000
Accounting	24,000
Legal	77,500
Development Fee	1,411,515
Leasing Fee	45,000
Park Impact Fees	170,000
Other (List)	
Origination Fees	87,817
Project Contingency:	250,000
Furnishings:	75,000
Reserves Funded from Capital:	
Operating Reserve	50,000
Replacement Reserve	0
Maintenance Reserve	0
Vacancy Reserve	0
Lease Up Reserve	0
Other: (List)	
Investor Reserve	270,000
TOTAL COSTS:	14,014,332

APPLICANT:

MSP Real Estate, Inc.

3. PROJECT PROFORMA

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

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16
Gross Income	794,295	810,181	826,385	842,912	859,770	876,966	894,505	912,395	930,643	949,256	968,241	987,606	1,007,358	1,027,505	1,048,055	1,069,016
Less Vacancy/Bad Debt	55,601	56,713	57,847	59,004	60,184	61,388	62,615	63,868	65,145	66,448	67,777	69,132	70,515	71,925	73,364	74,831
Income from Non-Residential Use*	52,020	53,080	54,122	55,204	56,308	57,434	58,583	59,755	60,950	62,169	63,412	64,680	65,974	67,293	68,639	70,012
Total Revenue	790,714	806,529	822,659	839,112	855,895	873,013	890,473	908,282	926,448	944,977	963,876	983,154	1,002,817	1,022,873	1,043,331	1,064,197

Expenses:

Office Expenses and Phone	7,000	7,210	7,426	7,649	7,879	8,115	8,358	8,609	8,867	9,133	9,407	9,690	9,980	10,280	10,588	10,906
Real Estate Taxes	112,013	115,373	118,835	122,400	126,072	129,854	133,749	137,762	141,895	146,152	150,536	155,052	159,704	164,495	169,430	174,513
Advertising, Accounting, Legal Fees	25,000	25,750	26,523	27,318	28,138	28,982	29,851	30,747	31,669	32,619	33,598	34,506	35,444	36,413	37,415	38,449
Payroll, Payroll Taxes and Benefits	90,000	92,700	95,481	98,345	101,296	104,335	107,465	110,689	114,009	117,430	120,952	124,581	128,318	132,168	136,133	140,217
Property Insurance	22,000	22,660	23,340	24,040	24,761	25,504	26,269	27,057	27,869	28,705	29,566	30,453	31,367	32,308	33,277	34,275
Mtc, Repairs and Mtc Contracts	50,000	51,500	53,045	54,636	56,275	57,964	59,703	61,494	63,339	65,239	67,196	69,212	71,288	73,427	75,629	77,898
Utilities (gas/electric/fuel/water/sewer)	70,000	72,100	74,263	76,491	78,786	81,149	83,584	86,091	88,674	91,334	94,074	96,896	99,803	102,797	105,881	109,058
Property Mgmt	45,000	46,350	47,741	49,173	50,648	52,167	53,732	55,344	57,005	58,715	60,476	62,291	64,159	66,084	68,067	70,109
Operating Reserve Pmt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replacement Reserve Pmt	23,175	23,870	24,586	25,324	26,084	26,866	27,672	28,502	29,357	30,238	31,145	32,080	33,042	34,033	35,054	36,106
Support Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other (List)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Total Operating Expenses

Net Operating Income	444,188	457,514	471,239	485,376	499,938	514,936	530,384	546,295	562,684	579,565	596,952	614,860	633,306	652,305	671,874	692,030
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Debt Service:

First Mortgage	272,679	272,679	272,679	272,679	272,679	272,679	272,679	272,679	272,679	272,679	272,679	272,679	272,679	272,679	272,679	272,679
Second Mortgage	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
AHF City Interest Loan	28,629	28,629	28,629	28,629	28,629	28,629	28,629	28,629	28,629	28,629	28,629	28,629	28,629	28,629	28,629	28,629
Other (List)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Total Debt Service

Total Annual Cash Expenses	301,308	301,308	301,308	301,308	301,308	301,308	301,308	301,308	301,308	301,308	301,308	301,308	301,308	301,308	301,308	301,308
Total Net Operating Income	745,496	758,822	772,547	786,684	801,246	816,244	831,692	847,603	863,992	880,873	898,260	916,168	934,614	953,613	973,192	993,338
Debt Service Reserve	45,218	47,707	50,112	52,428	54,649	56,789	58,781	60,679	62,456	64,104	65,617	66,996	68,203	69,260	70,149	70,859
Deferred Developer Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cash Flow	45,218	47,707	50,112	52,428	54,649	56,789	58,781	60,679	62,456	64,104	65,617	66,996	68,203	69,260	70,149	70,859

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

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

Assumptions

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

APPLICANT: MSP Real Estate, Inc.

3. PROJECT PROFORMA (cont.)

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

	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25	Year 26	Year 27	Year 28	Year 29	Year 30
Gross Income	1,090,397	1,112,205	1,134,449	1,157,138	1,180,281	1,203,886	1,227,964	1,252,523	1,277,574	1,303,125	1,329,188	1,355,771	1,382,887	1,410,545
Less Vacancy/Bad Debt	76,328	77,854	79,411	81,000	82,620	84,272	85,957	87,677	89,430	91,219	93,043	94,904	96,802	98,738
Income from Non-Residential Use*	71,412	72,841	74,297	75,783	77,299	78,845	80,422	82,030	83,671	85,344	87,051	88,792	90,568	92,379
Total Revenue	1,085,481	1,107,191	1,129,335	1,151,921	1,174,960	1,198,459	1,222,428	1,246,877	1,271,814	1,297,251	1,323,196	1,349,660	1,376,653	1,404,186

Expenses:

Office Expenses and Phone	11,233	11,570	11,917	12,275	12,643	13,022	13,413	13,815	14,230	14,656	15,096	15,549	16,015	16,496
Real Estate Taxes	179,748	185,140	190,695	196,415	202,308	208,377	214,628	221,067	227,699	234,530	241,566	248,813	256,278	263,966
Advertising, Accounting, Legal Fees	40,118	41,321	42,561	43,838	45,153	46,507	47,903	49,340	50,820	52,344	53,915	55,532	57,198	58,914
Payroll, Payroll Taxes and Benefits	144,424	148,756	153,219	157,816	162,550	167,427	172,449	177,623	182,951	188,440	194,093	199,916	205,913	212,091
Property Insurance	35,304	36,363	37,454	38,577	39,734	40,926	42,154	43,419	44,721	46,063	47,445	48,868	50,334	51,844
Mtc. Repairs and Mtc Contracts	80,235	82,642	85,122	87,675	90,306	93,015	95,805	98,679	101,640	104,689	107,830	111,064	114,396	117,828
Utilities (gas/electric/fuel/water/sewer)	112,329	115,698	119,170	122,745	126,428	130,221	134,127	138,151	142,296	146,564	150,961	155,490	160,155	164,960
Property Mgmt	72,212	74,378	76,609	78,908	81,275	83,713	86,225	88,811	91,476	94,220	97,047	99,958	102,957	106,045
Operating Reserve Pmt	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replacement Reserve Pmt	37,189	38,305	39,454	40,638	41,857	43,112	44,406	45,738	47,110	48,523	49,979	51,478	53,023	54,613
Support Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other (List)	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Total Expenses

Net Operating Income

Debt Service:

First Mortgage	272,679	272,679	272,679	272,679	272,679	272,679	272,679	272,679	272,679	272,679	272,679	272,679	272,679	272,679
Second Mortgage	0	0	0	0	0	0	0	0	0	0	0	0	0	0
AHF City Interest Loan	28,629	28,629	28,629	28,629	28,629	28,629	28,629	28,629	28,629	28,629	28,629	28,629	28,629	28,629
Other (List)	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Total Debt Service

Total Annual Cash Expenses

Total Net Operating Income

Debt Service Reserve

Deferred Developer Fee

Cash Flow

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

DCR Hard Debt	1.37	1.37	1.37	1.37	1.37	1.36	1.36	1.36	1.35	1.35	1.34	1.33	1.32	1.31
DCR Total Debt	1.24	1.24	1.24	1.24	1.24	1.24	1.23	1.23	1.22	1.22	1.21	1.20	1.20	1.19

Assumptions

Vacancy Rate

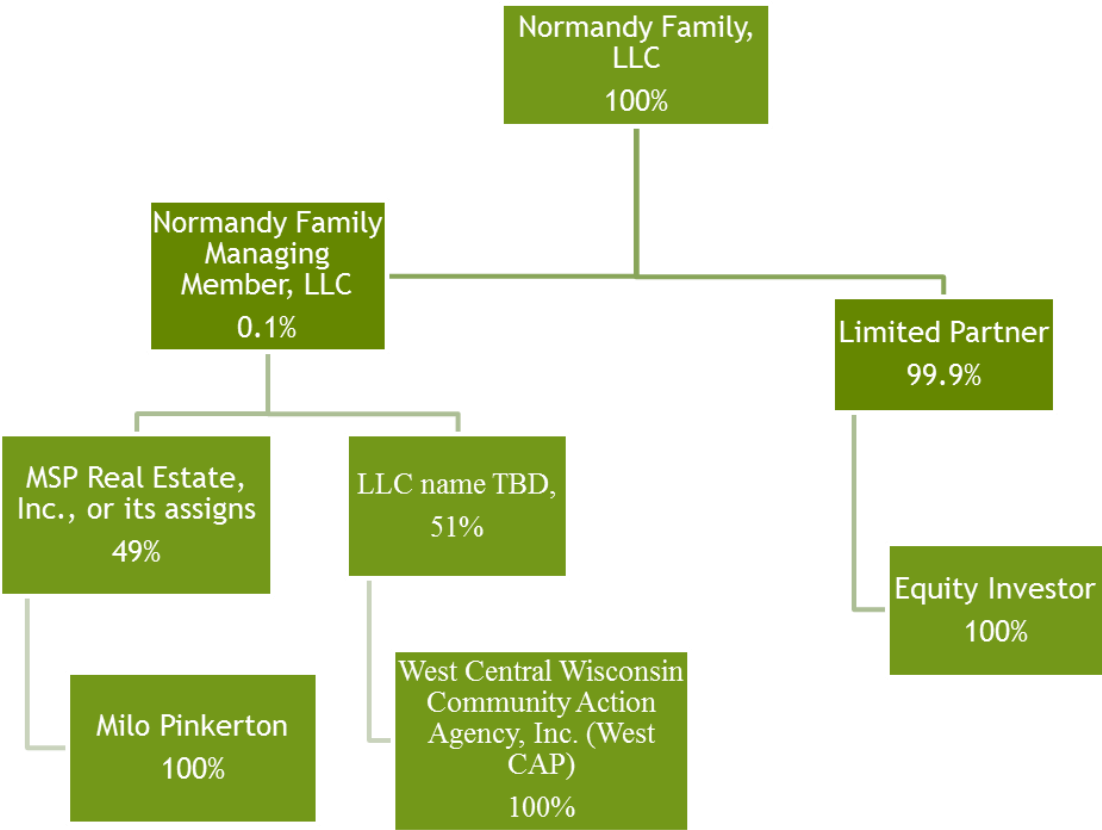
Annual Increase Income

Annual Increase Expenses

Other

7.0%
2.0%
3.0%

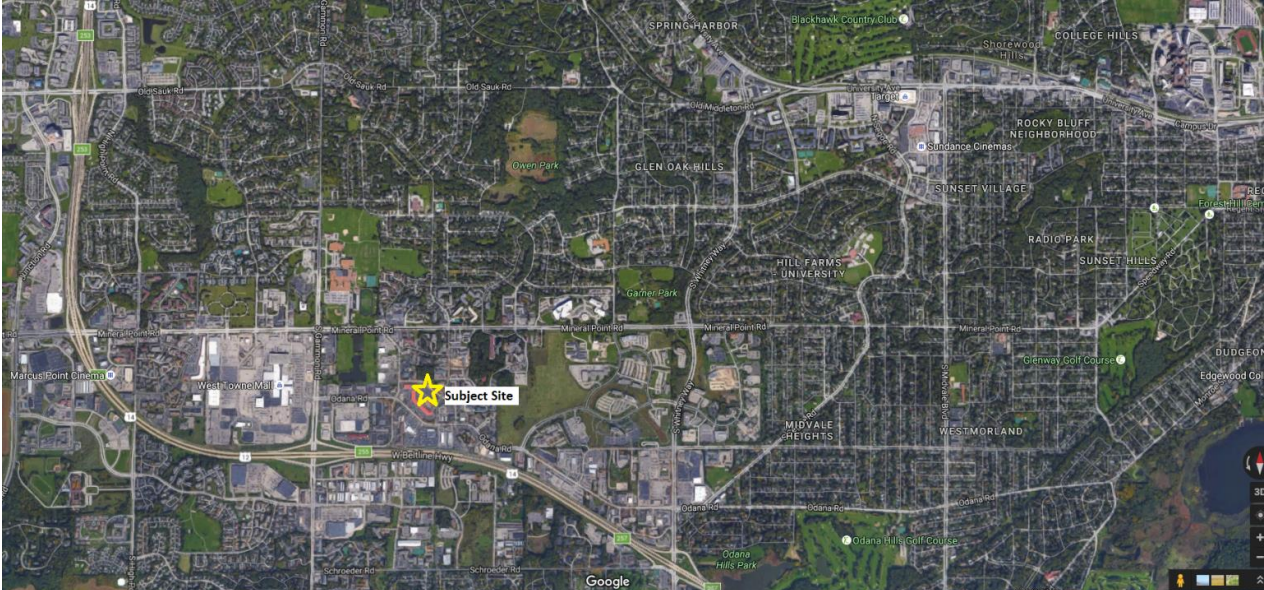
Project Organizational Chart



Close up Map of Site 6509 Normandy Lane, Madison WI 53719



Second Map Showing the Site in Context of the City



Additional (Supplemental) Information to Application Questions:

Question 7 Additional Information:

Twenty percent of the units will have rents affordable to households earning below 30% of the county median income. It is anticipated that residents residing in these units will most directly benefit from available supportive services. The supportive services available to the residents of Normandy Square will be provided for by the following non-profit agencies: Community Action Coalition (CAC), Middleton Outreach Ministry (MOM) and Madison-Area Urban Ministry (MUM). This doesn't preclude however other supportive agencies interfacing with the residents of Normandy Square. Future residents that we anticipate receiving supportive services at Normandy Square are Veterans (Homeless/Nearly Homeless), Homeless/Nearly Homeless Families that meet Federal Poverty Guidelines and Prison ReEntry individuals.

Veterans – Homeless/Nearly Homeless

Community Action Coalition through its own existing contracts and services will make referrals to Normandy Square for our 30% set-aside apartments. These referrals will be made based on a CAC assessment of the referrals needs and the current availability of housing at Normandy Square. The referrals we expect to receive from CAC will be for both our one and three bedroom 30% units for families qualified to receive supportive services under the Supportive Services for Veterans Families (SSVF).

Supportive Services for Veterans Families (SSVF) provides case management and temporary financial assistance to low-income veterans (single individuals and those with families) to assist homeless vets, or nearly-homeless individuals and families and/or to help them maintain stable (decent, safe) housing.

Case Management/Supportive services that can be provided to families receiving SSVF assistance can include the following:

Services include:

- Assistance locating and securing housing – referrals to prevent homelessness
- Housing Consultation
- Information and referral
- Landlord/tenant mediation
- Budget Consultation
- Family Support

Additional Services include:

- Financial Assistance. CAC helps participants acquire and improve the skills they need to increase their financial security. CAC provides assistance for individuals experiencing a short-term financial crisis and for those interested in improving their financial literacy and money-management skills.
- Housing Support. CAC has limited funds to help those who need financial assistance due to a housing crisis. Financial assistance is provided through (one) monthly drawing for the Rapid Re-Housing program (the intent of which is to keep the family in their present living situation if possible) on the 3rd Wednesday of the month. After talking to a Housing Caseworker, individuals may be eligible for financial assistance. Households selected during the monthly drawing will be contacted immediately about selection. Households not selected will not be contacted but are welcome to inquire about selection and to enter into the next month's drawing if still eligible.
- Telephone Assistance. CAC has programs to assist with getting a new telephone installed or to help with past-due phone bills (landlines only). CAC also provides financial assistance and budget consultation to help households maintain or establish internet and phone service in a time of financial stress.

Homeless/Nearly Homeless Families that meet Federal Poverty Guidelines

Middleton Outreach Ministry (MOM) through its own existing services and outreach will make referrals to Normandy Square for our 30% set-aside apartments. These referrals will be made based on MOM's assessment of the referrals needs and the current availability of housing at Normandy Square. The referrals we expect to receive from MOM will be both for our one and three bedroom 30% units for individuals/families.

MOM has two case managers at the MOM main office located at 3502 Parmenter Street, Middleton WI that will work with families as requested and needed. Case managers will develop written plans of action and follow-up typically for periods of 3 to 6 months for families who request additional services.

Families referred to Normandy Square will receive the following additional support services from MOM as needed.

Housing Assistance

Through the Preventing Homelessness programs at Middleton Outreach Ministry, Case Managers provide housing counseling and financial mentoring, which helps prevent eviction and assists in maintaining long-term stable housing. Aid for rent, security deposits, utilities and other critical needs make the difference in a crisis.

MOM can provide up to \$500 in a calendar year for rental housing needs. There can be additional financial rental support on a case by case basis determined by the Case Management staff.

Case Managers also make sure that families are registered for the Food Pantry, which they can use as often as they need. With the ability to always have access to food, people no longer need to worry about being "food insecure" and can focus their resources on their other urgent and necessary bills. The Case Management team provides the support that they need to pull together all of the pieces that MOM offers as well as other community resources to get individuals/families back on their feet.

MOM follows up with grant recipients and mediates with landlords to help them keep their housing. In 2014, the housing assistance programs prevented over 500 families from becoming homeless.

Food Pantry

The Food Pantry is MOM's flagship operation. Operating year round, six days per week, MOM serve(s) over 4,000 people each month, including nearly 2,000 children. Guests to the Pantry can take as much food as they can use and can visit as often as they need, effectively eliminating hunger for anyone in our service area. MOM proudly partners with Second Harvest Food Bank and Community Action Coalition.

Food Pantry Garden

MOM operates three Food Pantry Gardens, one of which is a teaching garden. This garden is managed by volunteers and supported by several businesses throughout the community as well as the Community Action Coalition, Fiskars and Willy Street Co-op. The produce from the garden is donated directly to the Food Pantry providing fresh food choices throughout the summer with nutritious fruits and vegetables.

The teaching garden gives customers their own small plot, where they are being taught how to grow food, side by side with volunteer mentors. Customers are able to keep some of the produce for their families and donate some to the Food Pantry. During the summer, a collaboration with the Middleton Rec Department means that middle-school youth are also spending time tending the gardens. Each year, the garden produces around 8,000 pounds of food.

Snack Program

Food is also given to students whose lives are transitional and need extra food to get them from day to day during the school year.

Clothing

Gently used clothing and linens are provided free of charge through the Clothing Center, serving more than 4,000 people per month and helping MOM customers stretch their limited dollars. In operation for over 15 years, the program saves customers over a half million dollars at thrift store prices every year.

The clothing program is located at the Distribution Center at 3502 Parmenter Street, Middleton, WI

Emergency Funds

Small grants may be available to assist with car repairs, medical prescriptions and document replacements. A limited number of Madison Metro bus tickets may be available for those needing to get to important medical appointments or job interviews.

Help for Seniors

The Seniors Program keeps Seniors (age 60+) independent by providing several services:

Transportation and Shopping Assistance

Rides are given to and from appointments, as well as the grocery store and other necessary places.

Seasonal Support

MOM provides seasonal and holiday assistance to relieve stress and allow families to use their limited resources for basic needs, such as rent and utilities.

School Supplies – providing school-aged children and teens with items that they will need to be successful in the upcoming year.

Thanksgiving Baskets – providing thanksgiving baskets to families in need.

Sharing Christmas Program – providing gifts and the holiday spirit to area individuals, seniors, and families.

Prison ReEntry Housing/Homeless Housing

Madison-area Urban Ministry (MUM) located at 2300 S. Park Street, Suite #2022, Madison, WI 53713 (in the Villager Mall – Atrium) offers an array of direct services programs for individuals and families impacted by the criminal justice system, including prison reentry programming (since 1999), services for children who have an incarcerated parent (since 1999), and community events designed to help people understand what it's like to walk in the shoes of someone newly released from prison, jail and prison in-reach programming. MUM provides re-entry services and referrals to assist former prisoners with transition from incarceration to community. MUM works to assist individuals/families to find affordable housing options and an end to homelessness. MUM advocates for public policies that meet basic needs for marginalized and vulnerable groups. MUM supports social and economic inclusion of all people regardless of religious belief, gender/gender identity/gender orientation, race, nationality, ability, income, ethnic background or conviction record. Through MUM's programs and advocacy they will make referrals to Normandy Square for our 30% set-aside apartments.

These referrals will be made based on MUM's assessment of the referrals needs and the current availability of housing at Normandy Square. The referrals we expect to receive from MUM will be for our one bedroom 30% units for prison reentry and for homeless families for our 3 bedroom units.

MUM's delivery of services involves active referral and follow-up. MUM typically makes 3 contacts for follow-up with residents for delivery of services. There is no predetermined end date for services, so weekly contact is maintained as long as it is determined desired or necessary for the participant and then contact can be tapered off to every other week, monthly, etc. Services are provided consistent with evidence based practices in the field of criminal justice/corrections that look at the assessed level of risk (how likely someone is to commit a new crime) and then matching the intensity and dosage (total hours of service) with that assessed risk level so for someone who is medium to high risk MUM expects to connect to those individuals with 200-300 hours of services and structured activities over the course of 6-9 months. That delivery of support services can include meeting with MUM staff, support groups, volunteer or paid work, employability classes, etc., so delivery is individualized.

The specific programs and supportive services that MUM provides for potential residents at Normandy Square are the following:

MUM offers referral assistance to members of the general public as well as to former prisoners. The majority of MUM's clients are formerly incarcerated people. MUM can refer clients to landlords and/or to sources that may be able to help secure housing. MUM holds monthly service fairs and provides caseworkers to link formerly incarcerated people to community resources. MUM matches returnees to 'Circles of Support' conducted by volunteers who meet weekly with the former prisoner to help with transition from prison to community. MUM does assist the general public as well with referrals to community services.

How does a former prisoner get help from MUM? Attend an Orientation Session. The sessions are held on a drop-in basis every Tuesday and Thursday, at 3:30 p.m. in the MUM office located at 2300 S. Park Street, Suite #2022, Madison WI 53713 (in the Villager Mall – Atrium). Also attend a Re-Entry Service Fair to learn about MUM services. Fairs are held monthly on fourth Tuesdays, from 3:30 to 5:30 p.m., in the Villager Community Room.

The Journey Home Program

The Journey Home program works to reduce recidivism (return to prison), creating a stronger, safer community. Focusing on the areas of residency, employment, support and treatment, as well as transportation and education, program staff assesses the needs, potential barriers and strengths facing individuals newly released from prison (returning citizens). Since 2005 the Journey Home, a re-entry initiative, has built a network of services and support to immediately assist people returning to Dane County from prison, helping them to navigate the often complex (and at times inaccessible) network of services in Dane County. MUM Resource

Specialists work with individuals to assess their needs and goals, look at their challenges and areas of strength, and then work with them to set goals, enhance their support network, and provide support, linkage and referral and case management services. MUM reentry staff work to assist individuals to enroll in benefit programs like Food Share, to participate in employability soft skills training and get employment assistance. Resource Specialists also spend time building relationships with area employers and landlords to increase the opportunities for housing and employment for returning citizens. Our program staff conducts in-reach visits to area prisons to connect with individuals prior to their release and to build a more seamless return to the community.

In addition, MUM's Re-entry Service Fair is a monthly "one-stop-shop" where information about a host of issues and resources is made available. Each month the Service Fair has a theme built around Residency, Employment, Support and Treatment. Community based organizations and groups provide information about their services, including training, education, transportation, housing, treatment and support networks. Each Service Fair includes a welcome home, an inspirational speaker and in keeping with the tradition across faiths to offer hospitality, a light meal.

The Phoenix Initiative

The Phoenix is a mythical bird that symbolizes the ability of one to rise from the ash of a burning flame to show itself as beautiful and born anew. The men and women returning from prison in Wisconsin seek an opportunity to rise above the conditions that led to their incarceration. MUM's Phoenix Initiative program offers peer support and assistance for men and women returning from prison. Utilizing a structured meeting format and specific topic areas, individuals offer support to one another in problem solving and strength-based mentoring. Group members also hold one another accountable for the goals they have set related to their re-entry. The initiative has a speaker's bureau for individuals who are willing to share their stories about re-entry and incarceration.

Circles of Support

Circles of Support match returning citizens with volunteers in the community who are there to listen, encourage and share what they know about local activities and resources, and to help the returnee stay accountable for, and focused on, their goals. Circles provide a safe place where the Core Team Member can be heard, encouraged, and respected while they discuss the challenges they may be experiencing as they transition back into the community. Each Circle is comprised of four or five trained volunteers (Circle Members) who meet regularly with a formerly incarcerated person (the Core Member). The volunteers are able to provide them with alternative solutions to problems and mentoring as they work through the challenges. A circle of caring and supportive people surrounding the newly released individual makes success more likely. The Circles of Support offer an environment that is positive, supportive and respectful but that also holds them accountable for achieving and succeeding in their weekly

goals. In other words, the Circle offers the support individuals often need to be successful in their return to the community.

MUM's Circle of Support Coordinator and Re-entry Volunteers also reach into the prisons in Dane County, providing a re-entry orientation session and conducting intake interviews with men returning to Dane County from prison. MUM holds these visits three Fridays per month and staff goes to Oakhill Correctional Institution, Oregon Correctional Center and Thompson Correctional Center.

Just Bakery Program

Just Bakery Program is a 16 week educational and vocational training program. The program works with individuals who are experiencing significant barriers to employment (homelessness, criminal conviction history, lack of education, and/or a lack of work history or skills) and who have an interest in baking or culinary arts as a career pathway.

Just Bakery utilizes a curriculum developed in collaboration with faculty from Madison College's Baking and Culinary Arts programs. Just Bakery offers Life Skills education, baking math and tutoring, food science, food safety and ServSafe Certification, and teaches commercial baking skills in a commercial grade kitchen with students actually helping to produce a line of bakery products for sale in the community. Students also gain sales and marketing experience by working side by side with program staff in a variety of sales venues, learning customer service skills and becoming comfortable answering questions about the product. All proceeds from Just Bakery sales are reinvested in the program. Program graduates can also take an exam to earn a Certificate of Training from the WI Baker's Association and through an agreement with Madison College, students can earn college credit. In addition to their coursework, students also receive case management and assistance with job placement and retention, and job coaching.

Re-entry Orientation & Simulations

In a Re-entry Simulation MUM staff and volunteers go into the prisons to conduct a simulation for inmates. The goal is to provide a dry run at their first month in the community. These simulations are conducted in two parts. The first session is an orientation and prisoners provide MUM staff with information about themselves and their needs upon release. At the second session, they receive an individualized packet put together by MUM staff that lists their tasks for the simulation, as well as resource information for them to use when they return home. It's an opportunity for prisoners who participate to prepare and rehearse their reentry plans.

Micro-Loan Fund

A small micro-loan program is set up through private donations for active program participants to help them access assistance with security deposits, work clothes, school supplies, etc. Individuals participating in MUM's re-entry programs are eligible to apply for our Micro-Loan program. The Micro-Loan Fund was developed in 2006 with a donation from First Baptist Church. The fund was MUM's response to the need they saw for access to credit among newly released individuals. MUM's goal is to offer an alternative to predatory "payday" lending businesses in the community. Borrowers make small weekly payments toward their loan and then are able to use MUM as a credit reference as long as their payments are current. Since 2007, loans have been made to assist with educational needs, clothing for a new job, fees to reinstate a license or vehicle tags, assistance with first month's rent or security deposit, and with materials to begin a business.

In 2015, MUM also focused on housing issues through our partnership with the UW Law School. Law students go to the Dane County Jail to teach a modified version of the Rent Smart curriculum, called "Ready to Rent", at the Dane County Jail. The Rent Smart curriculum focuses on obtaining and maintaining housing, understanding a lease, being a good tenant, budgeting, tenant rights, and communicating with your landlord. MUM staff offers the Rent Smart program within the community and offers a modified version called "Ready to Rent" at the Dane County Jail.

On a weekly basis MUM's re-entry team receives 5-10 letters from inmates all around the state and even from Wisconsinites imprisoned out of state. These individuals are looking for help in preparing for their release. All letters are responded to, even if the individual is not returning to Dane County, MUM staff do their best to provide resource information specific to the area the person will be residing in after their release.

Bus Passes

A limited supply of bus passes is available only to clients who are actively enrolled in a MUM program.

Regarding Project Based Section 8 Vouchers:

8-5-2016

Jim-

Per our conversation the DCHA regularly releases an RFP for Project Based Section 8 Vouchers (PBVs) in October each year. The DCHA plans to make PBVs available again this year for developers constructing new units or substantially rehabilitating existing units.

The exact number of vouchers available will not be determined until this fall however in the past two years the DCHA's RFP has been for 50 or 100 vouchers and in both the last two years we were able to award vouchers to all respondents.

I encourage you to watch the DCHA website for the RFP announcement in October of this year.

Thank you,

Rob Dicke
Executive Director
Dane County Housing Authority
608.224.3636 ex:023
rdicke@dcha.net

Question 8 Additional Information:

Support Letter from Community Action Coalition (see next pages)

Support Letter from Middleton Outreach Ministry (see next pages)

Support Letter from Madison-area Urban Ministry (see next pages)



1717 N. Stoughton Road, Madison, WI 53704-2605 . 608-246-4730 . 608-246-4760 Fax
114 E. Main Street, Watertown, WI 53094-3747 . 920-262-9667 . 920-262-9559 Fax
2312 N. Grandview Boulevard, Waukesha, WI 53188-1600 . 920-988-2196 . 608-246-4760 Fax
www.cacscw.org

August 14, 2016

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

RE: 2017 WHEDA Tax-Credit Rental Housing Development – Normandy Square

Dear Mr. Hammond,

Community Action Coalition For South Central Wisconsin, Inc (CAC) is a nonprofit organization that provides services to Dane, Jefferson, and Waukesha Counties. The mission is to develop economic and social capacities of individuals, families, and communities to reduce poverty in the counties mentioned. The services CAC provides in Dane County include financial assistance (housing support), homelessness prevention services, supportive services in addition to housing assistance, housing case management, food security programs, and a clothing center. Included in these services are supportive services to veteran individuals and families. The location of your proposed project, Normandy Square, located at 6509 Normandy Lane, does fall within our targeted service area for providing supportive services.

It is understood that Normandy Square will be an affordable rental development that will create housing for 10 – 1 bedroom and 5 – 3 bedroom units for individuals and families who are at 30% of the county median income.

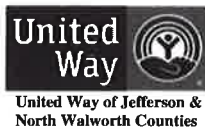
As discussed with Jim Rodgers, Danny DiFrancesco, and other MSP employees, CAC will include Normandy Square on the weekly housing vacancy listing of housing options that are appropriate for the participants and within the CAC service area. CAC will make referrals to Normandy Square as a housing option when appropriate. CAC operates a permanent supportive housing program and hopefully, some of the units will be rented to CAC as the tenant. CAC then houses individuals and families in these units who are offered supportive services needed to achieve stable housing. In addition, CAC operates a supportive services program specifically for veterans. If the veterans are accepted into housing at Normandy Square CAC will be able to extend its resources and support to these individuals and families should MSP become a successful applicant with the City of Madison Affordable Housing Fund.

CAC strongly supports the proposed apartment community that MSP intends to build as a new affordable housing option that does not currently exist in the community.

If you have any questions feel free to call me at (608) 246-4730 x215.

Sincerely,

Elizabeth Rowe
Interim Executive Director





Preventing Homelessness, Ending Hunger

August 10, 2016

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

RE: 2017 WHEDA Tax-Credit Rental Housing Development – Normandy Square

Dear Mr. Hammond,

Middleton Outreach Ministry (MOM) was established in 1980 and is the primary local 501©3 nonprofit that provides free commodities (food, clothing, household goods) and emergency funds for housing and utility assistance to more than 1500 of families per year which meet the federal poverty guidelines and live in our service area. We serve the greater West Side of Madison, Middleton and Cross Plains areas and the location of your proposed project Normandy Square, located at 6509 Normandy Lane does fall within our targeted service area for providing supportive services.

My understanding is Normandy Square apartments will be an affordable rental development that will be providing housing for 10 – 1 bedroom and 5 – 3 bedroom units for individuals/families at 30% of the county median income.

As discussed with Jim Rodgers, another MSP employee, MOM would be a primary resource and be able to provide support as needed to the individuals/families that are anticipated to live at Normandy Square should it become a successful applicant with the City of Madison Affordable Housing Fund.

MOM welcomes and strongly supports the proposed apartment community on Normandy Lane that MSP intends to build as a new affordable housing option in that area.

If you have any questions feel free to call me at (608) 826-3408.

Sincerely

Al Ripp
Executive Director
Middleton Outreach Ministry

August 18, 2016

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



RE: 2017 WHEDA Tax-Credits Rental Housing Development – Normandy Square

Dear Mr. Hammond,

Madison-area Urban Ministry (MUM) is a nonprofit interfaith social justice organization. MUM promotes interfaith cooperation and collaboration, convenes and links people of faith communities to engage in social action and advocates for low income people. Current MUM programs include several prisoner re-entry initiatives (Circles of Support, The Journey Home, Breaking Barriers AODA Support Group and The Phoenix Initiative re-entry support group) which provides the basis for the 'support services' that MUM would provide to prison reentry individuals residing at Normandy Square Apartments.

My understanding is Normandy Square will be an affordable rental development that will be providing housing for 10 – 1 bedroom apartments at a 30% income and rent limit. Furthermore, from 1 to 3 of these 1 bedroom units will be set aside specifically as 'prison reentry' apartment units.

As discussed with Jim Rodgers, another MSP employee, MUM will extend its resources and support to individuals/families that are anticipated to live at Normandy Square should it become a successful applicant as part of 'prison reentry' outreach initiative of the City of Madison's 2017 Rental Housing Development RFP.

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

If you have any questions feel free to call me at (608) 836-7338.

Sincerely

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

Linda Ketcham
Executive Director
Madison-area Urban Ministry

Question 16 Email Attached:

8/01/2016

Hello Jim,

Per our conversation, since your housing development is located at 6509 Normandy Ln, it is located within the Muir Elementary attendance area (outside of the designated walk area). Although at this time there are no stops established as no students are currently enrolled in that area, a stop(s) will be added to our school bus route(s) as students are enrolled and living in that area attending Muir Elementary School.

Please let me know if you have any questions.

Thank you,

Michael

Michael LaCount
Transportation Coordinator
Madison Metropolitan School District
4711 Pflaum Rd
Madison, WI 53718

Office: (608) 442-2898
mlacount@madison.k12.wi.us

Question 22 Additional Information:

Summary of Housing Issues:

INCREASE HOUSING AFFORDABILITY WITHOUT SACRIFICING LONG-TERM QUALITY OF LIFE

Housing Goal, Objectives, and Policies

Objective 1: Promote housing development and reinvestment that encourages a range of housing choices for all residents and that helps physical dwellings contribute to the development of safe, comfortable, and viable neighborhoods, and a community for all residents.

Policy 7: Promote a variety of programs and services to help stabilize housing for other lower income or special need groups.

Policy 10: Promote workforce housing and walk to work programs that can contribute to a level of integration at the neighborhood level that will promote a higher sense of the community and involvement across the entire City.

Policy 13: Foster the involvement of neighborhood associations, business groups, and non-profits in the decision processes related to housing and land use in ways that balance the goals of participation and production.

Policy 14: Conduct advanced planning with stakeholder housing groups and enunciate expectations regarding the type and scale of development.

Policy 15: Streamline decision processes that focus on central issues like affordability, functionality, design, and neighborhood fit to help achieve some sort of effective balance of objectives within City processes.

Policy 16: Continue to explore ways to support non-profit and private-public partnerships to ensure that Madison citizens have quality, affordable housing.

Objective 2: Increase housing affordability without sacrificing long-term quality of life.

Policy 7: The City shall direct growth of new housing toward areas that are already planned for urban services and toward infill and redevelopment of existing areas in a way that harmonizes with existing housing and neighborhoods.

Policy 8: The City shall also work within its own financial assistance programs, such as the Affordable Housing Trust Fund, the Community Development program, or the TIF program, and with private lenders and non-profits to leverage public and private resources to promote long term arrangements for affordable housing.

Policy 14: Promote the use or re-use of those sites suitable for affordable housing development to help assure an adequate level of sites for development as housing affordable to persons or households at key income ranges.

Question 36 Accessibility

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

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

Section 2

Description of Development Team Experience in:

**Obtaining and utilizing Section 42 tax
credits**

**Participating in public/private joint
ventures**

**Developing multifamily housing for low-
income households**

Property Management

Providing supportive services

**Developing multifamily housing that has
received architectural awards or green
building certification**

Experience obtaining and utilizing Section 42 tax credits:

MSP Real Estate specializes in Section 42 Affordable Housing Tax credit development. To date, MSP Real Estate has received over \$15 Million in tax credit allocations in three Midwestern states, creating over 1,400 affordable units worth a total cost of over \$95 Million. This portfolio consists of approximately 1000 units of senior housing and 430 units of family housing. MSP Real Estate has experience developing properties using both 9% tax credits and 4% tax credits with tax exempt bond financing.

Since 1991, MSP Real Estate has secured awards for tax credits for 22 total projects in the Midwest:

- 17 projects in Wisconsin that have provided over 900 units of senior housing and 212 units of family housing
- 5 projects in the Midwest outside of Wisconsin, totaling 83 units of senior and 260 units of family housing.

MSP REAL ESTATE, INC. **TAX CREDIT FAMILY (SECTION 42) APARTMENTS**

<u>Project Names/ Locations</u>	<u>Number of Units</u>	<u>Financing</u>	<u>Completion Date</u>
<u>The Landing Apartments</u> Chippewa Falls, WI	40	Conventional	June 2016
<u>Meadow Ridge Apartments</u> Waukesha, WI	70	Conventional Town Bank	October 2014
<u>New Berlin City Center</u> New Berlin, WI	102	Enterprise	December 2012
<u>Silver Lake Commons</u> Mounds View, MN	50	MHFA	February 1999
<u>Cityside Townhomes</u> Marshall, MN	50	MHFA	April 1997
<u>Parkside Townhomes</u> Redwood Falls, MN	30	FNMA	February 1997
<u>Valley Farms Apartments</u> Westfield, IN	92	Rural Development	May 1996
<u>Lincoln Square Apartments</u> Chisholm, MN	38	Conventional	August 1995 Sold 2013
TOTAL	472		

TAX CREDIT Elderly (Section 42) APARTMENTS

<u>Project Names/ Locations</u>	<u>Number of Units</u>	<u>Financing</u>	<u>Completion Date</u>
<u>Middleton Senior Apartments</u> Middleton, WI	56	US Bank	October 2012
<u>New Berlin Senior II</u> New Berlin, WI	34	JP Morgan	December 2012
<u>Chippewa Senior Apartments II</u> Chippewa Falls, WI	24	HOME	October 2011
<u>West Allis Senior Apartments</u> West Allis, WI	122	WHEDA Bond	April 2009
<u>Monona Senior Apartments</u> Monona, WI	88	WHEDA Bond	September 2009
<u>Lincoln Village</u> Port Washington, WI	49	BankMutual Conventional	December 2002
<u>Homestead Village</u> Chippewa Falls, WI	48	WPS Conventional	February 2000
<u>Deer Creek Village</u> New Berlin, WI	145	US Bank Conventional	October 2001
<u>Silver Creek Village</u> Glendale, WI	65	WHEDA Bond	August 2000
<u>Lexington Village</u> Greenfield, WI	120	Wells Fargo Conventional	December 1998
<u>Silver Lake Pointe</u> Mounds View, MN	83	Wells Fargo Conventional	September 1995
<u>Courtyard</u> West Allis, WI	63	Wells Fargo Conventional	September 1995
<u>Mill View</u> Kiel, WI	24	Rural Development	March 1995
<u>Station House</u> Antigo, WI	40	Rural Development	1991
<u>Village Plaza</u> Paddock Lake, WI	24	Rural Development	1991
TOTAL	985		

Since 1991, MSP Development has been applying for and winning awards for Low Income Housing Tax Credits allocated by the Wisconsin Housing and Economic Development Authority (WHEDA). MSP Development is consistently rated as one of the top scoring developers within WHEDA's scoring matrix, which serves as further validation of MSP's ability to move project sites from proposal and concept to reality and fruition.

MSP Real Estate has assembled a team of seasoned professionals and consultants to augment our in-house team. We have consistently worked with this team on past projects and intend to continue these working relationships in order to ensure project success. Our team includes the following:

Legal Counsel: Foley & Lardner (Madison, WI) - Wayman Lawrence, Katie Rist, Doug Buck

Accounting: SVA (Madison, WI) – Glen Weyenberg, Mike Kendhammer

Architecture: Dimension IV (Madison, WI) – Jerry Bourquin

Engineering: CJ Engineering (Milwaukee, WI) – Chris Jackson

Our long term relationships with our accounting partners, SVA, tax credit equity syndicators, our banking partners and City leaders has allowed us to consistently score well and put all the pieces cohesively together which is necessary to move a tax credit award from concept to product delivery.

We have partnered with a total of six different tax credit syndicators on our past tax credit awards.

Our Management Team profiles have a unique blend of experience and educational background with low income housing tax credits that we believe is second to none within the development community:

Milo Pinkerton – President and CEO

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

Milo Pinkerton's has long term expertise and success with this unique development program. Over the past 25 years, Milo has developed a reputation for high integrity and delivering results to partners and other stakeholders.

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

Prior to forming MSP Real Estate, Inc. Milo was vice president and manager of special projects for ITT Real Estate Services, where he was in charge of the disposition of \$50 Million of troubled real estate nationwide. Milo was also project director with a regional development/construction company, Orville E. Madsen and sons, based in Madison, Wisconsin, in charge of developing over 450 units.

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

Mark Hammond, Director of Development and General Counsel

Mark Hammond, as Director of Development & General Counsel, leads all real estate development activities and assists the company in identifying and overseeing legal issues in other core business units.

Mark's primary responsibility is the identification and management of new development opportunities in senior housing campuses, MSP's core business category. His secondary focus is identifying market-rate multifamily and tax credit affordable housing opportunities. Mark actively manages all aspects of the development process, including site acquisition and approval, financing, design and value engineering, construction, and lease-up.

Prior to joining MSP, Mark worked at Weber Holdings, where he co-led the development of a \$50M mixed-use, full-block redevelopment project, and a \$30M adaptive reuse conversion of an 1898-built chocolate factory into a 67-room boutique hotel. During these two development projects, Mark simultaneously asset managed a 300,000 square foot Class A office campus and a 150,000 square foot industrial portfolio. Prior to his time at Weber Holdings, Mark interned

with the Acquisitions group of leading institutional real estate advisor Bentall Kennedy, where he assisted a small team that placed approximately \$500M in equity in 2011.

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

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

Susan Stepka, Chief Financial Officer

Susan Stepka, Chief Financial Officer for MSP Companies and Heritage Senior Living, is responsible for internal audit and controls, financial reporting and analysis, budget and forecasting, cash flow projections, controllership, taxes, treasury, and overseeing shared administrative services such as IT and human resources.

Susan's primary responsibilities are to build a strong internal accounting function, strengthen the internal and external financial reporting to the owners and investors, and continue to strengthen the IT and human resource systems that will support continuous growth.

Prior to her engagement with MSP Companies and Heritage Senior Living she was employed by CommonBond Housing Corporation, a for-profit subsidiary of CommonBond Communities. CommonBond Communities, the Midwest's largest nonprofit provider of affordable housing with services. CommonBond develop and manages over 5,700 affordable rental apartments and townhomes, which included senior, family, market rate, assisted living and memory care housing. Stepka held many positions with CommonBond Housing throughout her 22 years of employment. As the Director of Administration she was responsible for corporate reporting, internal controls, treasury, audits, financial reporting, taxes, audits, budgets, human resources, IT, Section 8 and LIHTC compliance and participated on the finance and investment board committees.

Susan holds a bachelor's degree in accounting and business administration from the University of Minnesota. She is a Certified Management Accountant (CMA), obtain her certifications in LIHTC Tax Credit Compliance and Certified Occupancy Specialist and was a founding member of the Yardi Affordable User Group Board.

Jim Rodgers, Director of Asset Management

Jim Rodgers, as Director of Asset Management, is responsible for the asset management of a portfolio of properties under ownership of the MSP / Heritage Companies. Responsibilities include but are not limited to, production of property budgets and budgetary oversight, capital improvements, refinancing and analysis of future acquisitions for both MSP and Heritage owned real estate.

Prior to his role with MSP / Heritage, he was employed at the Wisconsin Housing and Economic Development Authority for 21 years as an Asset Manager, loan officer and Low Income Housing Tax Credit Underwriter. During his time there, Jim was an integral part of a team that administered the Low Income Housing Tax Credit program which produced over 20,000 units of

affordable housing across the State of Wisconsin. He also underwrote and closed over \$120 million in affordable multifamily housing which included lending for the production of assisted living facilities.

Jim has a Masters of Science in Business, Real Estate Investment, and a Masters Business Administration, Finance from the University of Wisconsin

Shawn Banks, Regional Property Manager

Shawn Banks, as Regional Property Manager is responsible for the property management of a portfolio of properties under ownership of the MSP Companies. Shawn will be transitioning the entire Oakbrook portfolio properties to be managed under MSP Property Management. Shawn will also be overseeing the 3rd party compliance and coordinating centralized maintenance.

Prior to his role with MSP, he was employed at ACC Management Group INC. as a regional manager, overseeing a portfolio of 1400 units of senior and family tax credit in WI and IL. Prior to ACC, he was the Vice President of Millennium Professional Management where he oversaw 1088 units of Section 8/ Tax Credit senior and family units in WI. Maintaining occupancy of 95% or better as well as overseeing compliance and maintenance for the entire organization.

Shawn currently holds a WI real estate license, certified in apartment management, tax credit specialist, certified occupancy specialist, and an associates in Science-Nursing degree from Cardinal Stritch University.

Participating in public/private joint ventures:

City Center at Deer Creek



Built in 2012, MSP Real Estate obtained a \$484,000 grant from the Federal Home Loan Bank of Chicago as well as \$555,000 in Waukesha County Home Funds to help finance the construction of this 102 unit Section 42 family development.

West Allis Tax Credit Independent and Heritage West Allis Assisted Living and Memory Care

2008- Heritage West Allis a 200 unit senior housing campus developed at the former Laidlaw Bus depot. MSP was selected by the City based on their response to an RFP and conveyed the land for \$1. Milo Pinkerton and the City obtained a brownfield grant to help offset costs related to building demolition and removing an underground leaking fuel tank (remediation of brownfield conditions). The \$25,000,000 development consists of a 4 story 122 unit independent senior building interconnected to a 2 story 40 unit assisted living and single story 38 unit memory care community. Construction took nearly 16 months and the project leased up ahead of schedule in just under 18 months.

Contact Information: John Stibal- Director of Community Development (414)302-8462



(Picture of our West Allis Senior Tax Credit Independent Building)

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

In 2008 and 2012 Heritage Monona, a two phase senior housing campus, totaling 231 units was developed at the former garden circle apartments in Monona, WI. MSP was selected by the City based on their response to an RFP and provided \$2,400,000 in tax increment financing. The \$28,000,000 development consists of a 4 story 88 unit independent senior building interconnected to a 2 story 75 unit assisted living memory care and a second phase 2 story 68 unit assisted living and memory care community. Construction took 12 months and the project leased up at a record pace of schedule in just under 9 months and 12 months respectively.

Contact Information: Sonja Reichertz- Economic Development Director (608)222-2525



(Main Entrance to Monona Senior Campus)

Middleton Independent Tax Credit and Heritage Assisted Living and Memory Care

2012- Heritage Middleton a 135 unit senior housing campus developed at a vacant sentry store in Middleton, WI. MSP put the site under contract in 2011 and worked with the City to help remove an eyesore on the gateway to Madison through Middleton. The site required over-excavation and haul off of approximately 10 feet of soil and replacing that soil with engineered fill. This was due to the site previously sitting at the edge of a lake bed. The City provided \$2,100,000 in tax increment financing and Dane County provided a low interest Home loan in the amount of \$460,000. The \$18,000,000 development consists of a 4 story 56 unit independent senior building interconnected to a 2 story 79 unit assisted living memory care

community. The project is extremely dense on a site of only 2.2 acres, but fits the urban design standards encouraged by the City. Construction took 12 months and the project has been full with a long waiting list on the affordable independent side since almost day one of certificate of occupancy.

Contact Information: Mike Davis-City Administrator 608-821-8358



(View of Senior Independent Tax Credit building at Middleton Campus)

Heritage Elm Grove – Assisted Living/Memory Care

Built in 2014, Heritage Elm Grove is a 97 unit Assisted Living and Memory Care community that replaced the former Tapco manufacturing facility in Elm Grove, WI. This project represents another successful public/private partnership between MSP and a municipality. Despite its urban location as a second ring suburb of Milwaukee, the Village of Elm Grove for decades had maintained its independence from obtaining municipal water and serves its water needs through wells. MSP worked with the Village and the neighboring City of Brookfield to run a water line to MSP's property which was paid for through TIF for the project in the amount of \$900,000. This allowed MSP to install the fire suppression system necessary to service the building and is sized to service the needs of most of the Village allowing other users to connect to the system which will help the redevelopment of the downtown business district in the years to come. The Village provided an additional \$600,000 in TIF to offset demolition costs and provide for remediation of substandard soils.

Contact Information- David DeAngelis- Village Administrator- 262-782-6700



Experience developing multifamily housing for low-income households:

MSP Real Estate has a team of seasoned real estate development professionals with a combined 58 years of direct housing and/or tax credit real estate experience. This means that we not only bring deep knowledge and experience, but also have ample staffing to provide dedicated project management on this project.

<u>Team Member</u>	<u>Years of Tax Credit / Housing Experience</u>
Milo Pinkerton	25
Jim Rodgers	22
Mark Hammond	6
Danny DiFrancesco	5

As our project lists demonstrate (included below again for convenience) MSP Development has been and remains a prolific development company. Our last award for tax credits (2015) was for a 40 unit family deal in Chippewa WI that is now in lease up. As of the date of submission of this RFP response, this property received its occupancy certification in late May 2016 and is now currently 75% leased up.

Mark Hammond, our Development Director, continues to look for new opportunities for MSP Development's continued growth which includes WHEDA tax credit application sites for the 2017 low income tax credit round both in the City of Madison and throughout the State of Wisconsin.

MSP REAL ESTATE, INC.
TAX CREDIT FAMILY (SECTION 42) APARTMENTS

<u><i>Project Names/ Locations</i></u>	<u><i>Number of Units</i></u>	<u><i>Financing</i></u>	<u><i>Completion Date</i></u>
<u><i>The Landing Apartments</i></u> Chippewa Falls, WI	40	Conventional	June 2016
<u><i>Meadow Ridge Apartments</i></u> Waukesha, WI	70	Conventional Town Bank	October 2014
<u><i>New Berlin City Center</i></u> New Berlin, WI	102	Enterprise	December 2012
<u><i>Silver Lake Commons</i></u> Mounds View, MN	50	MHFA	February 1999
<u><i>Cityside Townhomes</i></u> Marshall, MN	50	MHFA	April 1997
<u><i>Parkside Townhomes</i></u> Redwood Falls, MN	30	FNMA	February 1997
<u><i>Valley Farms Apartments</i></u> Westfield, IN	92	Rural Development	May 1996
<u><i>Lincoln Square Apartments</i></u> Chisholm, MN	38	Conventional	August 1995 Sold 2013
TOTAL	472		

TAX CREDIT Elderly (Section 42) APARTMENTS

<u>Project Names/ Locations</u>	<u>Number of Units</u>	<u>Financing</u>	<u>Completion Date</u>
<u>Middleton Senior Apartments</u> Middleton, WI	56	US Bank	October 2012
<u>New Berlin Senior II</u> New Berlin, WI	34	JP Morgan	December 2012
<u>Chippewa Senior Apartments II</u> Chippewa Falls, WI	24	HOME	October 2011
<u>West Allis Senior Apartments</u> West Allis, WI	122	WHEDA Bond	April 2009
<u>Monona Senior Apartments</u> Monona, WI	88	WHEDA Bond	September 2009
<u>Lincoln Village</u> Port Washington, WI	49	BankMutual Conventional	December 2002
<u>Homestead Village</u> Chippewa Falls, WI	48	WPS Conventional	February 2000
<u>Deer Creek Village</u> New Berlin, WI	145	US Bank Conventional	October 2001
<u>Silver Creek Village</u> Glendale, WI	65	WHEDA Bond	August 2000
<u>Lexington Village</u> Greenfield, WI	120	Wells Fargo Conventional	December 1998
<u>Silver Lake Pointe</u> Mounds View, MN	83	Wells Fargo Conventional	September 1995
<u>Courtyard</u> West Allis, WI	63	Wells Fargo Conventional	September 1995
<u>Mill View</u> Kiel, WI	24	Rural Development	March 1995
<u>Station House</u> Antigo, WI	40	Rural Development	1991
<u>Village Plaza</u> Paddock Lake, WI	24	Rural Development	1991

TOTAL 985

Experience in Property Management:

MSP Property Management provides all property management functions including Tax Credit certification, recertification, ongoing compliance, all accounting functions, day to day management and maintenance. MSP Property management has grown in size and oversight starting with 66 units in 2 projects in 2006 to over 700 units in 12 projects in Wisconsin and Minnesota in 2016. MSP Property Management specifically manages 6 senior projects with over 350 units of housing the majority of which is tax credit housing.

Our current occupancy for our MSP Property Managed tax credit projects is above **96%**.

Susan Stepka, our Chief Financial Officer, heads up an accounting staff that employs 6 full time accountants with over 100 years combined of accounting experience.

Jim Rodgers and Shawn Banks have over 30 plus years combined Asset Management, Regional and Property management experience that has included oversight of senior properties and family properties. They monitor monthly reports related to rent collection, occupancy, budget to actual costs, leasing status, work orders and tax credit compliance along with addressing ongoing inspections and reporting for state and lender requirements. Most of our sites are then staffed with on-site managers and maintenance staff dependent on needs of individual properties.

We have within the MSP Property Management and Heritage Senior Living management umbrella 18 full time maintenance staff to take care of the day to day physical plant operations for all our properties.

MSP Property Management



1295 Northland Drive Ste 270
Mendota Heights MN 55120

952-351-4540
952-935-7202
www.msphousing.com

6234 Maywood Avenue
Middleton WI 53562

608-858-1088
608-831-7429

MSP Property Management, LLC (MSPPM) was formed in 2006 to provide professional property management services to its affordable housing and market-rate housing portfolio in Minnesota and Wisconsin. MSPPM currently manages over 730 units in 12 locations throughout Wisconsin and Minnesota.

List of MSP Property Managed Properties: 6 Senior and 6 Family projects.

Project Name	Location	Number of Units	Senior/Family	Tax Credit Yes/No	Completion Date
New Berlin Senior II	New Berlin WI	34	Senior	Yes	Dec. 2012
Chippewa Senior II	Chippewa Falls WI	24	Senior	Yes	Oct. 2011
Homestead Village	Chippewa Falls WI	48	Senior	Yes	Feb. 2000
Silver Creek Village	Glendale WI	65	Senior	Yes	Aug. 2000
Lexington Village	Greenfield WI	120	Senior	Yes	Dec. 1998
Courtyard	West Allis WI	63	Senior	Yes	Sept. 1995
Meadow Ridge	Waukesha WI	70	Family	Yes	Oct. 2014
New Berlin City Center	New Berlin WI	102	Family	Yes	Dec. 2012
Silver Lake Commons	Mounds View MN	50	Family	Yes	Feb. 1999
Cityside Townhomes	Marshall MN	50	Family	Yes	April 1997
Parkside Townhomes	Redwood Falls MN	30	Family	Yes	Feb. 1997
Central Pointe	New Berlin WI	75	Family	No	May 2015
Total		731			

MSP Property Management and Heritage Senior Living Management have their accounting staff located at offices located in Mendota Heights, MN with property management staff located in offices in Madison and West Allis, WI.

Heritage Senior Living Management



1295 Northland Drive Ste 270
Mendota Heights MN 55120

952-351-4540
952-935-7202

www.heritagesenior.com

7901 W National Ave
West Allis WI

414-302-9700
414-302-9705

Heritage Assisted Living was founded in 2000 and has become an industry leading manager of assisted living and memory care communities. Heritage Senior Living's vision is to complement MSP's current portfolio of independent senior apartments by creating a series of assisted/memory care campuses that allow residents to age in place. These communities consist of mixed-income independent senior apartments, assisted living, and memory care housing.

List of Heritage Senior Living Managed Properties: 5 Senior and 11 Assisted Living/Memory Care projects.

Project Name	Location	# of Units	Senior/Assisted Living/Memory Care	Tax Credit Yes/No	Completion Date
Middleton Senior	Middleton WI	56	Senior	Yes	Oct. 2012
Monona Senior	Monona WI	88	Senior	Yes	Sept. 2009
West Allis Senior	West Allis WI	122	Senior	Yes	April 2009
Deer Creek Village	New Berlin WI	145	Senior	Yes	Oct. 2001
Lincoln Village	Port Washington WI	49	Senior	Yes	Dec. 2002
Lexington Heritage	Greenfield WI	20	Assisted Living	No	Feb. 2000
Heritage Oakwood Hills	Eau Claire WI	39	Assisted Living	No	Dec. 2002
Heritage West Allis	West Allis WI	40	Assisted Living	No, WHEDA Bond	Aug. 2009
Heritage Deer Creek	New Berlin WI	43 33	Assisted Living Memory Care	No	Jan. 2004
Heritage Monona	Monona WI	43 38	Assisted Living Memory Care	No, WHEDA Bond	Sept. 2009
Heritage Monona Phase II	Monona WI	28 40	Assisted Living Memory Care	No, WHEDA Bond	Nov. 2012
Heritage Middleton	Middleton WI	43 36	Assisted Living Memory Care	No, WHEDA 7/10	Dec. 2012
Heritage Elm Grove	Elm Grove WI	61 36	Assisted Living Memory Care	No	June 2014
Heritage Port Washington	Port Washington WI	45 20	Assisted Living Memory Care	No	Nov. 2015
Heritage Court	Menomonee Falls	34	Memory Care	No	Nov. 2004
Heritage Court	Eau Claire	34	Memory Care	No	Oct. 2007
Total		1,093			

MSP Property Management and Heritage Senior Living Management have their accounting staff located at offices located in Mendota Heights, MN with property management staff located in offices in Madison and West Allis, WI.

MSP Property Management and Heritage Senior Living Management accounting staff, human resources, compliance, regional property & maintenance staff are leveraged and share oversight of both sides of these Milo Pinkerton owned management companies.

Since 2006 both MSP property management and Heritage Senior Living have managed the complexities of Low Income Housing Tax Credit Compliance.

Processing certifications and recertifications –

All Certs and Recerts are completed in a timely manner according to the regulations set by the State Agency and/or Funding Program. Compliance Resources (Becky Haag) provides additional quality assurance oversight.

Fees current or past due–

All state agencies requiring fee's for Annual Reporting or Processing Utility Approvals are up to date.

Tenant files completeness and organization –

All tenant files are third-party audited for accuracy by Compliance Resources (Becky Haag) and MSP/Heritage Senior Living management outlines all file set-up so organization and completeness is the same, no matter which property you walk on to.

Responsiveness to federal and state housing compliance issues including AG 134, Equal Opportunity, affirmative fair marketing practices, 504, and LIHTC–

All Federal and State Housing Audits or Issue Responses are handled according to the time limit provided per notification. Our goal at MSP/Heritage Senior Living is to turn around any audit items prior to or earlier than the deadlines provided

Compliance History/Number and quality of 8823's issued –

MSP Property Management has been managing affordable and market rate housing since 2006. Heritage Senior Living Management has been managing assisted living, memory care and independent affordable tax credit senior housing since 2000. In the past 5 years there have only been a few minor tenant file issues that required resolution related to missing documentation only. No substantial reportable recapture of credit issues has ever been reported on these managed properties to the IRS. Each state has their own standards of

practice on when/why to issue an 8823's but we have experienced the same results with our Minnesota based properties that interface with the Minnesota Housing Authority and our Indiana based property with the Indiana Housing Authority.

Shawn Banks, our regional property manager has 18 years' experience with tax credit compliance. He continually monitors the site staff for tax credit compliance and reporting issues to both the Wisconsin Housing Economic Development Authority and the Minnesota Housing Finance Agency.

Our third party consultant, Becky Haag, Compliance Specialists (20 years' experience) reviews ALL tenant files for tax credit compliance as well as recertification compliance.

Experience in Providing Supportive Services:

MSP is committed to identifying the right services provider to meet the objectives of the CDD and City of Madison, and are confident in our ability to structure agreements that meet the objectives of all involved parties. We also understand that it is important to work with the right supportive services providers for a given community.

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

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

Another illustrative example is MSP's 2015 tax credit application, The Landing Apartments. For this project in Chippewa, WI, MSP partnered with West Central Wisconsin Community Action Agency, Inc., (WestCap) and Veterans Assistance Foundation, Inc. to provide supportive services to the residents to secure the maximum points within WHEDA's supportive services category. This is a 40 unit tax credit project and ten (10) of those units are for supportive housing. WestCap will provide the following services:

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

Veteran's Assistance Foundation will provide the following services:

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

Experience in developing multifamily housing that has received architectural awards or green building certification.

Louisiana Oaks Apartments is a 200 unit market rate development (Developed in 2000 by MSP) in St. Louis Park (Suburb of Minneapolis), Minnesota that MSP did sell in April 2015. This property was recognized as the 2006 MADACS (Multi housing Achievement in Design, Advertising & Community Support) 'Property Excellence Award – Best New Development – Market Rat' in the Twin Cities.

Since Green Built standards have been in place within the WHEDA scoring matrix MSP Development has built its tax credit projects to capture the maximum points available by building and certifying to the Green Built criteria. Our 2017 tax credit application will build to this required standard to ensure maximum points. To date 5 of our tax credit projects have received the Green Built Certification.

Section 3 References (three for similar projects completed by the development team)

COMMUNITIES/FINANCIAL

John F. Stibal
Director of Development
City of West Allis
7525 West Greenfield
Ave. West Allis, WI
53214 414.302.8462

Abby Attoun-Tucker
**Director of Community
Development**
City of Middleton
7426 Hubbard Avenue
Middleton, WI 53562
608.821.8343

Greg Kessler
**Director of Community
Development**
City of New Berlin 3805 S.
Casper Drive New Berlin,
WI 53151 262.786.8610

Sean O'Brien
WHEDA
Director of Commercial
Lending 201 West
Washington., Suite 700
Madison, WI 53703
608.266.7884

Larry Lightfield
Bremer Bank
605 2nd Street East
Menomonie WI 54751
715-231-7955

Kevin Kilbane
**Raymond James
Funds Cleveland**
383 South Island Drive Rocky
River OH 44116 216-509-1342

Section 4 WHEDA Self Score detail based on WHEDA's scoring criteria

	Maximum Points	Normandy Square
1. Lower Income Areas	5	0
2. Energy Efficiency and Sustainability	32	32
3. Mixed Income Incentive	12	12
4. Serves Large Families	5	5
5. Serves Lowest-Income Residents	60	60
6. Supportive Housing	20	20
7. Rehab/Neighborhood Stabilization	25	0
8. Universal Design	18	18
9. Financial Participation	25	8
10. Eventual Resident Ownership	3	0
11. Project Team	12	10
12. Readiness to Proceed	12	12
13. Credit Usage	30	30
14. Opportunity Zones	25	20
Total	284	227

MSP Development believes our Normandy site, (assuming \$1,240,000 of City Funding and 8 points then for financial participation) **is a site that will score very favorably in the 2017 round.**

There have been multiple changes to the 2017-2018 Qualified Allocation Plan (QAP)/scoring criteria so to make any comparisons to prior year's scoring is difficult to assess the worthiness of such comparisons. Still it is somewhat useful to look back at the first year of the last 2 year cycle (2015) when the scoring cut-off was 321 points out of a possible 409 or $321/409 = 78.48\%$ percentage won an award of credit. Making comparisons between that (2015) winning point scoring total and this year provides at least a favorable opinion that a score of 227 'should' earn an award of tax credits in WHEDA's scoring matrix since our score of 227/284 provides a percentage score at 79.93% which is above the 78.48% percent cut-off threshold in place at the time of the first year of the last two year period QAP cycle.

Historically, MSP has rarely lost any points that it has claimed with WHEDA. We anticipate that trend line continuing.

Section 5

Appraisal

Not completed at this time

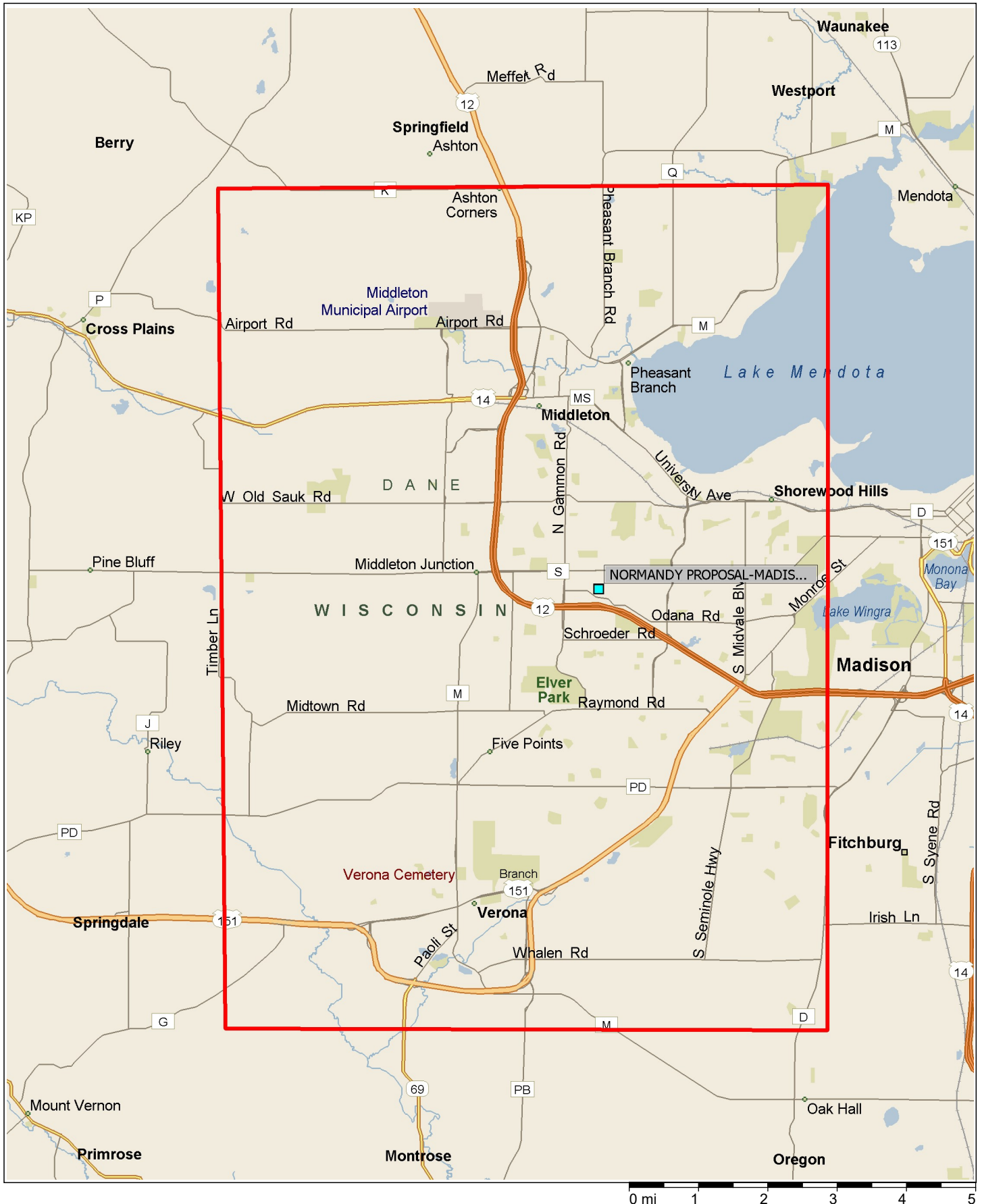
Section 6

Market Study

Market Study – a market study will be completed at the time of application to WHEDA for tax credits.

A market 'snap shop' was completed by Dale Mussati, Lexington Realty Group which indicates a **VERY STRONG** demand for this housing unit mix in this location.

Market Area Map- MADISON-Normandy-MS17 FAM



TARGET MARKET DATA Normandy Lane Proposal - Madison				
Population ⁽¹⁾	2000	2010	2016	2021
Total Population - Census & The Nielsen Co. (1)	121,411	143,978	157,061	165,830
Under Age 65		127,348	134,948	138,504
Age 65 and over		16,630	22,113	27,326
% Change In Population (from previous period)		18.6%	9.1%	5.6%
% Change In Population <65			6.0%	2.6%
% Change In Population 65+			33.0%	23.6%
Households - Per Census & The Nielsen Co. (1)	52,183	63,028	68,992	73,045
Percentage Change in Households (from previous)		20.8%	9.5%	5.9%
Average Household Size (1)			2.27	2.26
Household Income ⁽²⁾	<Age 65 Households		2016	2021
\$0-\$9,999			2,597	2,346
\$10,000-\$14,999			804	726
\$15,000-\$19,999			1,528	1,350
\$20,000-\$24,999			1,628	1,437
\$25,000-\$29,999			1,840	1,606
\$30,000-\$34,999			2,294	2,003
\$35,000-\$39,999			2,152	1,981
\$40,000-\$49,999			3,799	3,497
\$50,000-\$74,999			10,333	9,759
\$75,000-\$99,999			7,107	7,194
\$100,000-\$149,999			10,331	11,289
\$150,000-\$199,999			4,560	5,247
\$200,000+			5,306	6,831
Total <Age 65 Households			54,279	55,267

Estimate of Target Market Households				
	Income-Restricted Households ⁽³⁾		Market Rate Households ⁽³⁾	
	2016	2021	2016	2021
2016 Age <65 HH's, 24% to 60% AMI - \$16,180 to \$45,360 HH Income	11,118			
2021 Age <65 HH's, 24% to 60% AMI - \$17,860 to \$50,080 HH Income	12,400			
2016 Age <65 HH's, 50% to 165% AMI - \$38,130 to \$125,000 HH Income			27,210	
2021 Age <65 HH's, 50% to 165% AMI - \$42,090 \$137,990 HH Income			28,295	
Age 18 to 64 Household Renter Percentage ⁽⁴⁾	73.9%	73.9%	35.7%	35.7%
Age 18 to 64 Income-Restricted Target Market Households	8,216	9,164		
Age 18 to 64 Market Rate Target Market Households			9,714	10,101

(1) Source: 2000 & 2010 US Census, Projections from The Neilsen Co.

(2) Source: The Neilsen Co. - *Household Income By Age of Householder*

(3) 2021 Income Range calculated by increasing 2016 target market income range by 10.4% based upon The Nielsen Co.'s projected increase in market area median household income between 2016 and 2021.

(4) Source: Projected from 2010 Census data

MARKET PERFORMANCE MEASURES Normandy Lane Proposal - Madison					
	30% AMI	50% AMI	60% AMI	Market	Total Units
Subject Units	15	23	24	13	75
Minimum Gross Rent	\$472	\$787	\$945	\$1,112	\$472
Assumed Household Size	1-5 Person	1-5 Person	1-3 Person	1-3 Person	1-5 Person
Lower Income Limit	\$16,180	\$26,980	\$32,400	\$38,130	\$16,180
Upper Income Limit	\$27,210	\$45,350	\$45,360	\$125,000	\$125,000
Income Qualified Households	3,608	7,590	5,382	27,210	35,128
Renter Percentage	76.0%	74.3%	63.6%	35.7%	48.9%
Target Market Households	2,742	5,640	3,423	9,714	17,178
Comparable Units - Existing (1)	81	327	328	147	883
Comparable Units - Proposed	<u>20</u>	<u>84</u>	<u>85</u>	<u>31</u>	<u>220</u>
Unmet Potential Demand	2,641	5,229	3,010	9,536	16,075
Demand and Supply Ratios					
Capture Rate (2)	0.5%	0.4%	0.7%	0.1%	0.4%
Penetration Rate (3)	4.2%	7.7%	12.8%	2.0%	6.9%
<p>(1) Ten percent of the market area's subsidized family apartment units are considered to be competitive with the subject, all of the market area's affordable, income-restricted, family apartment units, and all of the market area's market rate units within family tax credit properties are considered to be competitive with the subject.</p> <p>(2) The percentage of target market required for subject full occupancy - Subject units divided by target market households.</p> <p>(3) The percentage of target market that the subject and its existing and future competition must share - Subject units plus existing competitive units plus proposed competitive units divided by target market households.</p>					

Market Area Subsidized And Affordable Family Rental Housing							
No.	Property	Address	Program	Subsidized Units	Income - Restricted	Market Rate	Total Units
EXISTING PROPERTIES							
1	Wexford Ridge	7006-10 Tree Lane, Madison	Section 8/236	246	0	0	246
2	Terrace East/West & Llori	6809 Schroeder Road, Madison	Section 8	64	0	0	64
3	Willow Pointe	6701 Schroeder Road, Madison	Section 42	0	101	74	175
4	Trillium Homes	2 Craig Avenue, Madison	Section 42	0	50	0	50
5	The Overlook At Hilldale	4620 Frey Street, Madison	Section 42	0	95	1	96
6	Parmenter Circle	2310 Parmenter Street, Middleton	Section 42	0	40	10	50
7	Nakoma Heights Apartments	4929 Chalet Gardens Road, Fitchburg	Section 42	0	115	29	144
8	Prairie Crossing	2402 Allied Drive, Madison	Section 42	0	47	1	48
9	Avalon Madison Village	Atticus Way, Madison	Section 42	0	73	31	104
10	Allied Drive Redevelopment	Scattered Site, Madison	Section 42	0	48	1	49
11	King James Court	5663 King James Court, Madison	Section 42	0	48	0	48
12	Midtown Place Apartments	Mayo Drive, Madison	Section 42	<u>0</u>	<u>88</u>	<u>0</u>	<u>88</u>
Total Units In Existing Properties				310	705	147	1,162
PLANNED OR UNDER CONSTRUCTION PROPERTIES							
13	Maple Grove Commons	6901 McKee Road, Madison	Section 42	0	68	12	80
14	Madison Family Supportive Housing	7933 Tree Lane, Madison	Section 42	0	45	0	45
15	Meadow Ridge Middleton	7625 Lisa Lane, Middleton	Section 42	<u>0</u>	<u>76</u>	<u>19</u>	<u>95</u>
Total Units In Planned Or Under Construction Properties				0	189	31	220
TOTAL MARKET AREA UNITS				310	894	178	1,382

Section 7

Capital Needs Assessment

Not applicable

New Construction