

Please note: All questions submitted by City staff are numbered and shown in italics. MSP responses are provided directly below each question.

- 1. Have you selected a non-profit partner? Any additional information? If West Cap, is it their mission to work in a specific geographic area? Why Madison?*

We are still working on selecting our eventual non-profit partner.

West Cap is a non-profit that we have worked with on multiple previous projects. We work well together and West Cap has strong working relationships with other Madison-area non-profits. Although Madison falls out of West Cap's primary service area, working with MSP on Affordable Housing in Madison helps further West Cap's mission, which is the following:

"The mission of West CAP is to take action against poverty by developing the social and economic assets of low-income families and their communities and by working to create a more just and sustainable society."

We are also in conversations with Madison-based non-profit about a potential partnership. We are early in these conversations, but we are working towards making a decision in the coming months.

- 2. Provide an update on neighborhood engagement to date.*

Beginning around January of this year, City Planning staff began engaging surrounding neighborhoods in developing a 'Cottage Grove Road Activity Centers Plan.' To-date, there have been three meetings, online surveys, business roundtables, neighborhood association comments, stakeholder interviews, and individual contacts and input.

On July 10, 2017, the third public meeting took place. At this meeting, City Planning Staff shared input that they received in the form of draft goals and recommendations. Representatives of MSP attended this meeting but did not participate.

MSP wants to be respectful of the planning efforts and neighborhood engagement that has taken place so far. Because the plan adoption process is slated to be complete within the August/September timeframe, we were encouraged to let this process play out prior to directly engaging the surrounding neighborhoods.

We are continuing to refine our site plan such that responds to the planning efforts to-date, including height and site layout. Once the plan is adopted, we will schedule a neighborhood meeting and include both the Eastmoreland and Lake Edge Neighborhood Associations.

- 3. Describe the preliminary building design in terms of number of buildings, number of stories, and number of units per building.*

The current building design includes two separate buildings. One building is towards the back (north) of the lot and the other front Cottage Grove Rd on the southern portion of the lot. Our general site plan responds to City Planning efforts already underway with the ‘Cottage Grove Road Activity Center’ planning process discussed above.

For the north building, we are proposing a split 3- and 4-story building. The 3-story portion helps create an appropriate scale near the adjacent single family homes. It currently contains 73 units.

The south building is proposed as a 5-story mixed-use building. It currently has 53 units and will include approximately 2,000-3,000 sf of commercial space.

We are retaining a very large portion of green space at the far southern end of the site. It is currently almost 10,000 sf total. This green space will not only provide a nice buffer with the single family home to the north, but will also be very meaningful space for school-aged children to recreate. We will include a playground to compliment the ample open/green space.

- 4. Operating Budget: Payroll at \$160K/year in Year 1 seems high. What/how many staff positions will be supported with this budget?*

This was an error on our part. We accidentally included \$20,000 in projected high-speed internet charges under this Payroll expenses category instead of the more appropriate ‘Office Expenses and Phone’ category. We anticipate payroll to be more in the \$140,000 per range. This would cover a full- and part-time property manager, along with a full- and part-time maintenance director.

- 5. More than half of the units are 1 BR. Could the project be structured and designed to increase the number of 2-BR units?*

We would like to know a little more about this question. We set the unit mix based on our experience and market demands. So while it is possible to convert 1-BR units to 2-BR (generally speaking, we’d trade (3) 1-BR units in row for (2) 2-BR units), it is not the unit mix that we feel is optimal and there are many moving parts in terms of trying to accomplish this from both a design/architecture perspective, but also from a pro forma and financial feasibility perspective. We feel it would be best to discuss this question during our presentation.

6. *Please describe the diversity of the staff of the development team, including developer, co-developer(s), property management company, general contractor, if selected, etc.*

MSP Companies prides itself on the diversity of our staff.

In 2011, MSP Companies was awarded #1 LGBT-Owned Business by the Minneapolis-St Paul Business Journal.

Also, the following manager-level or higher positions are filled by persons of color:

- Director of Human Resources
- Executive Director
- Property Manager
- Business Manager
- Maintenance Director

On the construction side of our business, we will adhere to the Emerging Business Program. The Emerging Business Program was created to encourage the involvement, utilization, and development of economically disadvantaged businesses in the State of Wisconsin. Emerging Business participation dollar goals are established per county and are based on percentages of allowable construction costs established in the application submitted to WHEDA for Low Income Housing Tax Credit (LIHTC). Allowable construction costs are noted in the Program Overview section of the Emerging Business and Workforce Development Program Manual.

We will commit to give our best efforts to reach 25% of total construction costs to come from emerging businesses.

Emerging Businesses must be certified by designated local, state, or federal certifying agencies. Here are the accepted program certifications:

- 8(a) Small Disadvantaged Business
- Disadvantaged Business Enterprise - or DBE
- Emerging Business Enterprise - or EBE
- Minority Business Enterprise - or MBE
- Small Business Enterprise - or SBE
- Women Business Enterprise - or WBE
- Veteran Owned Business - or VOB
- Serviced Disabled Veteran Owned Small Business - or SDVOSB
- Wisconsin Department of Administration - or DVB