

**City of Madison
Community Development Division**

**Request for Proposals
RFP #10033-2021
Affordable Housing Fund:
Rental Housing Development Proposals
Seeking 2022 WHEDA Tax Credits
(AHF-TC)**

Due Date:
July 15, 2021

The Heights Apartments



Prepared by:
Mark Hammond
MSP Real Estate, Inc.
1295 Northland Drive, Suite 270
Mendota Heights, MN 55120
612-868-9997



July 15, 2021

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

RE: Affordable Housing Fund RFP #10033-2021 Response

Dear Julie,

MSP Real Estate Inc. is pleased to present our application for the 2021 Affordable Housing Fund for our affordable housing development located at 2208 University Avenue, The Heights Apartments. The University Avenue location assists the City objectives of a wider dispersion of affordable housing throughout the City as the subject location is in perhaps the most underserved area of the City for affordable housing. Further, this site is located in the well-established Regent Neighborhood and has strong connections to public transit, jobs, and education along with various other services and amenities. Finally, with an award of WHEDA tax credits already in hand, this proposed project presents an enhanced opportunity to the City to reach its targeted goals for new affordable housing because it does not present a risk that it will not ultimately obtain a WHEDA award and will be able to commence construction in early 2022 with units delivered in 2023.

This proposal will provide a 79-unit family building that will meet all the requirements for eligibility, including 30% CMI units with a supportive housing component being dispersed across unit sizes.

Finally our proposal at 2208 University Avenue offers the following additional RFP preferences:

- The proposed site is located in a Preferred Area for New Construction developments.
- Integrated supportive services will be provided through the Salvation Army and the Dane County Veterans Service Office.
- At least 25% of the proposed affordable units are for households with incomes at or below 40% CMI.
- At least 40% of the proposed affordable units are for households with incomes at or below 50% CMI.
- Leverage the use of all available resources by already having previously secured WHEDA tax credits, applying for City of Madison and Dane County Affordable Housing Funds, applying for Chicago FHLB funding, and deferment of the maximum feasible amount of developer fee.
- Commitment to repay the cash flow loan simultaneously with repayment of the deferred developer fee.
- Neighborhood enhancing first floor commercial tenant, Anesis Therapy, a black-owned mental health outpatient clinic.

- Going beyond WHEDA's universal design requirements where feasible.
- Dedicated tot lot for children.
- Adherence to best practices Tenant Selection Plan (TSP) and Affirmative Marketing Plan (AMP) per CDD's TSP/AMP best practices.

We are a long-term owner with a proven ability to secure the necessary sources of funding along with the construction expertise to manage complicated projects across the finish line that continue to add to our 32-year history of exceptional affordable housing developments in the communities in which we work.

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

Sincerely,

Mark Hammond

Mark Hammond
Vice President of Development

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Section 1

- a. RFP Application Form
- b. Supplemental Information to Application Questions
 - i. Resident Selection Plan & Tenant Screening Criteria B
 - ii. Affirmative Fair Housing Marketing Plan
 - iii. WHEDA Appendix M Tax Credit Design Requirements
- c. Budget Workbook

Section 2

Development Team Experience and Capacity

- a. Experience developing multifamily housing for low and moderate-income households including:
 - i. Experience obtaining and utilizing LIHTC.
 - ii. Experience obtaining and utilizing federal, state, city and other financing resources.
- b. Participating in public/private joint ventures.
- c. Years in existence and staff qualifications.
- d. Financial capacity of the organization to secure financing and complete the proposed project.
- e. Developer's experience with, including number of projects, number of units and location of projects developed with integrated support housing units.
- f. Experience of the proposed property management entity's performance record with LIHTC projects both with and without integrated support services as well as with inclusive and culturally-sensitive property management and marketing practices.
- g. List of architectural awards, service awards, or green building certifications that your organization has received.
- h. Project Organizational Chart, including ownership interest percentages.

Section 3

Additional Application Materials

- a. Letter(s) from Supportive Service Provider(s) detailing what level of services are necessary to be adequate for the number of supportive housing units and target population as well as what level of services intended to be provided.
 - i. Dane County Veterans Service Office
- b. Detailed site map and a second map showing the site in the context of the City using the Affordable Housing Targeted Area Map.
- c. A preliminary site plan and drawings, if available
- d. Capital Needs Assessment – Not Applicable – New Construction
- e. A confirmation page demonstrating that an Initial Application for Energy Design Assistance was submitted to Focus on Energy.
- f. Written confirmation from the Zoning Administrator of permissive zoning or a letter confirming the proposed site's zoning status and process.

Section 4

Designation of Proprietary and Confidential Information – Attachment D

Section 1a – RFP Application Form

Affordable Housing Fund (AHF) Application

This application form should be used for projects seeking City of Madison AHF funds. Applications must be submitted electronically to the City of Madison Community Development Division by **noon on July 15, 2021**.

Email to: cddapplications@cityofmadison.com

APPLICANT INFORMATION

Proposal Title:	The Heights Apartments		
Amount of Funds Requested:	\$2,356,000	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:	952-351-4540	Fax:	952-935-7202
Admin Contact:	Alyssa Klecker	Email Address:	aklecker@msphousing.com
Project Contact:	Alyssa Klecker	Email Address:	aklecker@msphousing.com
Financial Contact:	Mark Hammond	Email Address:	mhammond@msphousing.com
Website:	www.msprealestateinc.com		
Legal Status of Maj. Owner::	<input checked="" type="checkbox"/> For-profit <input type="checkbox"/> Non-profit		LIHTC Application: <input type="checkbox"/> 4% <input checked="" type="checkbox"/> 9%
Anticipated WHEDA Set-Aside:	<input checked="" type="checkbox"/> General <input type="checkbox"/> Preservation <input type="checkbox"/> Non-Profit <input type="checkbox"/> Supportive Housing		
Federal EIN:	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 <https://www.cityofmadison.com/civil-rights/contract-compliance/affirmative-action-plan/individual-developers>.

LOBBYING RESIGTRATION

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

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

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

Date: 7/15/2021

PROPOSAL DESCRIPTION

1. Please provide an overview of the proposal. Describe the impact of the proposed development on the community as well as other key characteristics.

The Heights Apartments as proposed is a 79-unit family project that contains 62 units (78.5%) of affordable housing at or below 60% CMI. Sixteen of these affordable units will be further segmented for individuals and families at the 30% CMI limit. This new construction project will be located on an infill site at 2208 University Avenue within a "Preferred Area" on the City of Madison AHF targeted area map. As such, the project location along University Avenue is in close proximity to many services/amenities and transit. The building will consist of two levels of underground parking and six stories above grade with a step back after three stories along University Avenue in alignment with the University Avenue Corridor Plan. There will also be a roughly 750 sf commercial space on the ground floor. A mix of one, two, and three-bedroom units spread across income levels will be offered in order to serve the varying needs of individuals and families in the community.

The Heights Apartments will provide much needed affordable workforce housing to the Regent Neighborhood. Based on the market study conducted for the project, the Regent Neighborhood does not currently have a subsidized or affordable family rental housing development. Beyond the Regent Neighborhood itself, the market study indicated that there is not a subsidized or affordable family rental housing development within 1.25 miles of the proposed project site. The Heights Apartments will contribute to the City's goal of distributing affordable housing throughout the City of Madison in locations well served by services/amenities and access to transit.

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

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

Total number of units: 79

Total number affordable of units (<60% CMI): 62

Total % affordable of units (<60% CMI): 78.5%

Total amount of AHF requested per affordable unit: \$38,000

Number of units supported by Section 8 project-based vouchers, if known: _____ PBV CMI level: _____

Length of Period of Affordability Commitment (min. 40 years): 40 years

AFFORDABLE HOUSING INITIATIVE FUND GOALS & OBJECTIVES

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

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

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 2a.i for attached list of our tax credit housing). While most of the developments listed are not specific to the City of Madison, the expertise required to properly assess affordable housing needs is directly transferable to the City of Madison Metropolitan market.

MSP Real Estate was a successful applicant for the 2016 Affordable Housing Fund (AHF) (for 2017 WHEDA Credits) and earned an award of 2017 and 2018 Low Income Housing Tax Credits (LIHTC) from WHEDA for our Normandy Square 58-unit (48 affordable units) project located at 6509 Normandy Lane. MSP Real Estate was also a successful applicant for the 2017 AHF (for 2018 WHEDA credits) and earned an award of 2018 LIHTC from WHEDA for our 112-unit (95 affordable units) project, The Grove, located at 202 & 206 Cottage Grove Road. Most recently, MSP Real Estate was a successful applicant for the 2019 AHF (for 2020 WHEDA Credits) and earned an award of 2020 LIHTC from WHEDA for our 110-unit (93 affordable units) project, The Oscar Apartments, located at 1222 & 1244 Huxley Street. See Section 2 for more detail on MSP Real Estate knowledge and experience.

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

A market study has been completed for the proposed project by Dale Mussati of Lexington Realty Services. Historic low vacancy rates and strong lease-up schedules continue to be the trend in Madison, WI. As such, the market study estimates that the project will reach full occupancy in approximately five months after receiving certificate of occupancy with an absorption rate of 18 units/month. With a calculated capture rate of 1% and a penetration rate of 7.7%, there appears to be an unmet need for affordable family rental housing in the primary market area with a sufficiently large target market to absorb the units at The Heights Apartments.

INTEGRATED SUPPORTIVE HOUSING UNITS

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

The Heights Apartments will include 16 (20.25%) Integrated Supportive Housing units at the 30% CMI income & rent level.

Sixteen (16) units at 30% CMI will have integrated supportive services provided by outside agencies with case management services available.

- 5-10 units for homeless/risk of homeless (Salvation Army of Dane County)
- 5-10 units for Veterans (Dane County Veterans Service Office)

The supportive services available to the residents at The Heights Apartments will be provided for by the following non-profit agencies: The Salvation Army of Dane County and Dane County Veterans Service Office. We have a signed Memorandum of Understanding (MOU) with Dane County Veterans Service Office (see section 3a.i for MOU) and are in the process of working with The Salvation Army of Dane County to put together a support letter/MOU. MSP has been in communication with The Salvation Army regarding their needs at The Heights to match their needs to our project. We have worked with the Salvation Army on our previous developments and anticipate the supportive service structure to mirror that of previous projects.

Future residents that we anticipate receiving supportive services at The Heights Apartments are Veterans and Homeless/Nearly Homeless Individuals/Families that meet Federal Poverty Guidelines. This doesn't preclude however other supportive agencies interfacing with the residents of The Heights Apartments.

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

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

As indicated in Question 6, we intend on filling the integrated supportive housing units with the following ranges of individuals/families in need of additional supportive services at the 30% CMI level.

- 5-10 units for homeless/risk of homeless (Salvation Army of Dane County)
- 5-10 units for Veterans (Dane County Veterans Service Office)

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

We have spread our 30% units across one, two, and three-bedroom units in order to provide opportunities and meet the needs of individuals and families of varying sizes. We have also created a more flexible tenant screening criteria for our 30% units that goes above and beyond the WHEDA requirements. See Section 1b.i for Tenant Screening Criteria.

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

Collaborative referral based supportive service partnerships will be established with The Salvation Army of Dane County and Dane County Veterans Service Office. The Salvation Army of Dane County is a service provider from the Continuum of Care (Attachment C).

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

2. Dane County Veterans Service Office (referral, see executed MOU in Section 3a.i): This is the County agency responsible for assisting veterans in accessing benefits and referring them to resources in the community, including affordable housing. Therefore, MSP Property Management marketing and outreach efforts for veterans will be coordinated with the Dane County Veterans Service Office. The Dane County Veterans Service Office assists Veterans who may need supportive services and are eligible for veteran specific services to identify where to obtain those services from a range of providers who are primarily funded by the U.S. Department of Veterans Affairs. MSP Property Management will establish a working relationship with the Dane County Veterans Service Office locally and will work with them and their contracted service providers and tenants to address any issues that may arise that could affect their success in maintaining their tenancy.

9. In order to ensure the success of the development, the partnership(s), and the tenants, describe the level of financial support that the development will provide annually to the identified supportive service agency/agencies, if applicable. Attach a letter from the service provider(s) detailing the services they intend to provide to residents of the supportive

housing units, the cost of those services and how those services will be financially supported (i.e., through the development, fundraising, existing program dollars, etc.).

We are confident that the supportive service partnerships we have arranged for with this development proposal will allow the development to be successful and provide the necessary supportive services for the residents that require it. More specifically, the Salvation Army of Dane County will provide all case management funding support necessary for those residents referred from their DAWNS and RISE programs (support letter/MOU pending). The Dane County Veterans Service Office will assist veterans in identifying where to obtain services from a range of providers who are primarily funded by the U.S. Department of Veterans Affairs (see Section 3a.i for executed MOU). Due to the financial constraints of the operating budget to allow for the required debt service coverage ratios to be achieved, supportive service funding support is provided by our supportive service partners.

MSP Real Estate also has a signed MOU with Anesis Therapy, a black-owned mental health outpatient clinic, to lease the approximately 750 sf commercial space on the ground floor. Fees charged for services provided in the facility will be affordable to persons at or below the 60% income level with a sliding scale fee schedule, which has fees starting at \$5 per visit for the lowest income residents. MSP Real Estate has agreed to lease the facility to Anesis Therapy at well below market rate rents in order to help ensure the Operator can provide services that will help improve the life of community residents and be affordable to individuals whose income is at or below 60% of the area median income. The project is subsidizing the rent paid by Anesis Therapy for the commercial space by approximately \$10,000-\$15,000 per year. Beyond the fees clients pay for services and the project-subsidized rent, Anesis Therapy will provide all other funding support necessary for for operations.

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

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

Dane County Veterans Service Office funds its veterans case management from the Dane County operating budget. Many partnering providers and services identified through the Dane County Veterans Service Office are funded by the U.S. Department of Veterans Affairs.

As mentioned above, the project will subsidize rent to Anesis Therapy in order to help ensure the Operator can provide affordable services to tenants at or below the 60% area median income level. Anesis Therapy also has several contracts with Dane County Department of Health Services.

11. Describe how the development will help pay for or subsidize supportive services provided by the identified supportive service partner(s). CDD expects that supportive service partners have access to adequate compensation for the dedicated services provided to residents of the development. Explain any arrangement with developer fee sharing, "above the line" payments in the operating budget, and "below the line" payments out of available cash flow. CDD is open to deferral of AHF Cash Flow Note payments in favor of providing meaningful financial support to supportive service partners. What is the minimum required rent to income ratio?

As indicated in Question 9, The Salvation Army of Dane County will provide all case management funding support necessary for those residents referred from their DAWNS and RISE programs (support letter/MOU pending). The Dane County Veterans Service Office will assist veterans in identifying where to obtain services from a range of providers who are primarily funded by the U.S. Department of Veterans Affairs (see Section 3a.i for executed MOU). Due to the financial constraints of the operating budget to allow for the required debt service coverage ratios to be achieved, supportive service funding support is provided by our supportive service partners.

MSP Real Estate also has a signed MOU with Anesis Therapy, a black-owned mental health outpatient clinic, to lease the approximately 750 sf commercial space on the ground floor. Fees charged for services provided in the facility will be affordable to persons at or below the 60% income level with a sliding scale fee schedule, which has fees starting at \$5 per visit for the lowest income residents. MSP Real Estate has agreed to lease the facility to Anesis Therapy at well below market rate rents in order to help ensure the Operator can provide services that will help improve the life of community residents and be affordable to individuals whose income is at or below 60% of the area median income. The project is subsidizing the rent paid by Anesis Therapy for the commercial space by approximately \$10,000-\$15,000 per year. Beyond the fees clients pay for services and the development-subsidized rent, Anesis Therapy will provide all other funding support necessary for for operations.

TENANT SELECTION, AFFIRMATIVE MARKETING & BARRIERS TO ENTRY

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

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

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

See Section 1b.i for MSP Property Management Resident Selection Plan & Tenant Screening Criteria B.

13. Describe the planned approach, relationship and coordination between the Property Manager and the lead Supportive Service Coordination Agency for lease up and ongoing services. How will these entities work together to ensure a successful development in the context of the greater neighborhood and community?

MSP Property Management (MSPPM) will reach out to the supportive service partners when it begins its marketing outreach. As part of this initial outreach, MSP will provide marketing materials for the project and request referrals for our 30% set aside apartments at The Heights Apartments. The supportive service partners will also provide marketing materials to MSPPM. MSPPM will endeavor to make existing and prospective residents aware of services and resources available by provision of a tenant resource area within the common area of the development. As vacancies arise for the supportive units throughout the duration of the project, MSPPM will continue to reach out to the supportive service partners for referrals. MSPPM will also work with the supportive service partners, their contracted service providers, and tenants to address any issues that may arise that could affect tenants' success in maintaining tenancy.

14. Describe the proposed development's minimum occupancy standards (1 pp per BR) that will prevent or reduce over-housing residents in such limited affordable housing opportunities. See Tenant Selection Plan Best Practices.

The Tenant Selection Plan for this project (see Section 1b.i) lists the occupancy guidelines. For this project, our guidelines will be a preference for at least 1 household member per bedroom for all affordable units. Reasonable accommodations regarding this occupancy standard will be made for people with disabilities based on their needs.

15. Describe your affirmative marketing strategy and any other strategies to engage your intended population. Specifically outline how you will embrace the City of Madison's Affirmative Marketing Plan Best Practices (Attachment B-2 of the RFP), especially for Asian and Latinx populations which tend to be under-represented in AHF Completion Reports.

MSP Property Management will follow the Affirmative Marketing Plan as outlined in the RFP response. See Section 1b.ii for The Heights Apartments Affirmative Fair Housing Marketing Plan (AFHMP) - Multifamily Housing (Form HUD- 935.2A). This plan aligns with the City of Madison's Affordable Housing Affirmative Marketing Plan Best Practices. For outreach specifically to Asian and Latinx populations mentioned above, MSP Property Management will reach out to the AAPI Coalition of Wisconsin and the Centro Hispano of Dane County respectively.

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

See Section 1b.ii for The Heights Apartments Affirmative Fair Housing Marketing Plan (AFHMP). Marketing practices to those 'least likely' identified groups in our AFHMP include directly reaching out over phone, email, and occasionally in person to organizations recognized in our AFHMP. The property manager will discuss the project and provide marketing materials including flyers and brochures. MSPPM has contacted several of these organizations on past projects and formed relationships that will be helpful for marketing The Heights Apartments as well. Outreach will occur during initial lease-up and throughout the project duration for ongoing marketing of vacant units. Other proposed marketing activities included in the AFHMP include Apartments.com & Craigslist through SEO targeting with keywords as well as targeted mailings to residents within the census tract area.

17. Describe the proposed development's security deposit policy (e.g., ½ or 1x's rent, other set amount(s), criteria for variations if credit is conditional, etc.). Is the higher deposit policy waived for households with a guaranteed rent subsidy or voucher?

MSP Property Management's security deposit policy is generally \$500 with approved credit or \$1,000 with conditional credit or \$500 with conditional credit plus a co-signer. This is not typically reduced for those households with a rent subsidy or voucher.

Through Salvation Army of Dane County, the security deposit is included in the rapid rehousing package for tenants in the DAWNS program.

18. What percentage of maximum LIHTC rents are used for 50 & 60% units? Describe the proposed development's policy on limiting rent increases for lease renewals? How will prospective long-term tenants be protected from significantly and rapidly rising contract rents allowed by WHEDA?

With this project being located in a high land cost area along University Avenue with high construction costs, we are unable to commit to using rents that are below the maximum LIHTC rents at initial lease up. However, MSP has always been and will continue to be sensitive to rent increases. If a larger than 3% increase is allowed by WHEDA, we work to limit the increase and meet in the middle whenever possible.

PUBLIC BENEFIT AND RISK

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

The public benefit The Heights Apartments is to create new, high quality affordable housing for the City of Madison on an infill site surround by a well-established community. This project especially aims to serve the some of the lowest income individuals/families at 50% or less of the county median income, along with providing supportive services for the 30% CMI units for Veterans and homeless/nearly homeless individuals and families. These residents will have greater access to other supportive services because of an affordable place to live, helping residents maintain quality affordable housing.

The Heights Apartments will provide much needed affordable workforce housing to the Regent Neighborhood. Based on the market study conducted for the project, the Regent neighborhood does not currently have a subsidized or affordable family rental housing development. Beyond the Regent Neighborhood itself, the market study indicated that there is not a subsidized or affordable family rental housing development within 1.25 miles of the proposed project site. The Heights Apartments will contribute to the City's goal of distributing affordable housing throughout the City of Madison in locations well served by services/amenities and access to transit.

MSP also aims to create this development in line with the University Avenue Corridor Plan which specifically recognizes that "this intersection would be a prime site for mixed-use development with neighborhood-oriented businesses situated on the street level" (Page 12).

The risks associated with this project relate mainly to the financial structure of the sources of financing and pools of soft financing necessary for the project's completion. Timing also remains a risk as there is a long lead time from concept to fruition in these types of transactions. Increases in construction costs due to inflationary pressures, unforeseen increases in the construction budget, rising interest rates, and lower tax credit pricing are all additional factors that could fluctuate to create a project that is no longer financially feasible.

SITE INFORMATION

20. Address of Proposed Site: 2208 University Avenue, Madison, WI 53726

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

- ☐ Super-Preferred Area (New Construction Only)
☒ Preferred Area (New Construction Only)

- ☐ Eligible Area (New Construction & Acquisition/Rehabilitation)
- ☐ Targeted Rehab & Preservation Area (Ineligible for New Construction, but preferred for Acquisition/Rehabilitation and Demolition/Reconstruction)

22. Identify the neighborhood in which the site is located: Regent Neighborhood

23. Date Site Control Secured: 11/03/2020

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

This site was chosen due to the linkages it would provide residents of a future affordable housing development given its prominent location between University Avenue and Campus Drive at 2208 University Avenue. Multiple transit routes can be accessed nearby and even run just in front of the property including routes 2, 10, 48, and 82. The UW Hospital and VA Hospital, which may be utilized by future Veteran residents, are located just across the street along with the UW Campus. Randall Elementary School, Madison West High School, and the Monroe Street Library are also located in close proximity for families residing at the development. Various grocery stores and retail along with multiple recreation activities, including the Commuter Bike Path, Lakeshore Path, Hoyt Park, and Vilas Park, are all located within one mile of the development.

With this great access to amenities and transit, The Heights Apartments site was also chosen as it is located in a "Preferred Area" on the Targeted Area Map (see Section 3b for a detailed site map and a context map within the AHF Targeted Area Map). It was also a high-scoring location under WHEDA's scoring matrix, which allowed us to secure tax credits for the project with our application to WHEDA in December 2020. The closest intersection to the site is Walnut Street & University Avenue. A BP gas station and 7-Eleven are currently located at this intersection. The Heights would be located on the property to the east, currently the site of Don The Car Care Man. The neighboring site further east is Mister Car Wash. The University Corridor Plan calls out this intersection specifically as it states, "At the corner of Walnut Street and University Avenue, a gas station, car wash, and auto repair shop have been fixtures of the neighborhood for decades. These auto-oriented businesses are welcome in the neighborhood; however, if they should close, this intersection would be a prime site for mixed-use development with neighborhood-oriented businesses situated on the street level" (Page 12).

The location in the Regent Neighborhood, zoning, and site size were also large contributors to this site choice. The Regent neighborhood is a well-established neighborhood that would be a great fit for an affordable housing development. It is also a very walkable and bikable neighborhood. The surrounding neighborhood offers a diverse range of opportunities for individuals/families in various stages of life. As the University Avenue Corridor Plan states, "The Corridor connects a world-class university and large hospital complex with the historic Regent Neighborhood. Residents are a cross-section of students, adult renters, and long-term homeowners" (Page 1). This mix of residents and access to various opportunities/amenities would be a great fit for creating a supportive affordable housing community.

The Heights Apartments will provide much needed affordable workforce housing to the Regent Neighborhood. Based on the market study conducted for the project, the Regent neighborhood does not currently have a subsidized or affordable family rental housing development. Beyond the Regent Neighborhood itself, the market study indicated that there is not a subsidized or affordable family rental housing development within 1.25 miles of the proposed project site. The Heights Apartments will contribute to the City's goal of distributing affordable housing throughout the City of Madison in locations well served by services/amenities and access to transit. An affordable housing development in this area would contribute in spreading the City of Madison AHF projects west of the Capitol along the main corridor of Campus Drive & University Avenue.

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

An auto repair shop, Don The Car Care Man, is currently located on the site. The existing building is still in use, but will be vacated prior to the land closing and demolished prior to construction. The current owner has another auto repair location on the west side of Madison where they will continue to operate after ending operations at the University Avenue site.

Demolition of the building would be expected once all the funding sources for this application have been awarded. Demolition is not expected to occur until after January 2022.

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

Type of Amenities & Services	Name of Facility	Distance from Site (in miles)
Full Service Grocery Store	Regent Market Co-Op	0.33
	Trader Joe's	0.64
	Lee's Oriental	0.95
	Whole Foods	0.99
	Pick n' Save	1.27
	Fresh Madison Market	1.36
	Asian Midway Foods	1.37
	Metcalfe's Market	1.42
	Target	1.48
Public Elementary School	Randall Elementary School	0.45
	Shorewood Hills Elementary School	1.00
	Midvale Elementary School	1.65
	Van Hise Elementary School	1.78
	Thoreau Elementary School	2.04
	Franklin Elementary School	2.21
Public Middle School	Hamilton Middle School	1.80
	James C. Wright Middle School	2.05
	Cherokee Heights Middle School	2.46
	Spring Harbor Middle School	2.47
Public High School	Madison West High School	0.29
Job-Training Facility, Community College, or Continuing Education Programs	UW Engineering	0.56
	UW College of Agricultural & Life Sciences	0.72
	Edgewood College	0.98
	UW Continuing Studies	1.27
	UW Student Job Center	1.30
Childcare	VA Kids Center	0.47
	University Avenue Discovery Center	0.53
	Preschool	0.58
	Meeting House Nursery School	0.65
	Lodgic Kids Camp - Madison	0.67
	Creando Preschool	1.25
Public Library	Madison Public Library - Monroe Street	0.65
	Madison Public Library - Sequoya	1.83
	Madison Public Library - Central	1.88
Neighborhood or Community Center	Madison School & Community Recreation	0.81
	Shorewood Hills Community Center	0.83
	Neighborhood House Community Center	1.13
Full Service Medical Clinic or Hospital	VA Hospital	0.29
	UW Hospital	0.43

	Meriter Hospital	1.24
	Wingra Family Medical Center	1.80
	SSM Health	1.90
Pharmacy	UW Health Pharmacy	0.43
	Neuhauser Pharmacy	0.67
	Meriter Outpatient Pharmacy	1.26
	Walgreens	1.30
Public Park or Hiking/Biking Trail	Olive Jones Park	0.44
	Stevens Street Park	0.53
	Hillington Green Park	0.66
	Post Farm Park	0.86
	Quarry Park	0.93
	Hoyt Park	0.94
	Vilas Park	1.00
Banking	Associated Bank - 1603 Monroe Branch	0.68
	UW Credit Union - Monroe St. Branch	0.75
	Summit Credit Union - Shorewood Hills	0.98
	Landmark Credit Union - Madison Branch	1.04
	U.S. Bank - University Square Branch	1.30
	U.S. Bank - Hilldale Branch	1.33
	UW Credit Union - University Ave Branch	1.37
	Old National Bank - 302 N Midvale Blvd	1.38
	UW Credit Union - State St. Branch	1.40
	Summit Credit Union - City Station	1.48
	Park Bank - Hilldale	1.50
Retail	Monroe Street	0.67
	University Station Shopping Mall	0.70
	Shorewood Shopping Center	0.85
	Hilldale Shopping Center	1.37
	State Street	1.38
	Midvale Plaza Shopping Center	1.80
Other (list the amenities):	Lakeshore Path	0.40
	Southwest Commuter Bike Path	0.52

27. What is the actual walking distance between the proposed site and the nearest seven-day per week transit stops (i.e. weekday and weekends)? List the frequency of service at that bus stop during both the weekday and on the weekends (e.g., hourly, ½ hour, commuter hours). List the bus route(s) numbers, seven-day transit stop street intersections and describe any other transit stops (include street intersections and schedule) located near the proposed site. Please do not include full bus schedules.

The closest transit stops located just across the street & down the street from the project site are University & Walnut EB and WB stops (approximately 100 ft and 280 ft walking distance respectively). Both stops are served by Routes 2, 10, and 48. The WB stop is additionally served by Route 82.

- Route 2: Weekday 5:39am-11:15pm (1/2 hour), Weekend 6:39am-11:15pm (1/2 hour)
- Route 10: Weekday 6:25am-6:16pm (1/2 hour)
- Route 48: Weekday 6:43am-7:44am & 4:45pm-5:45pm (1/2 hour)
- Route 82: Weekday 6:59pm-1:59am next day (1/2 hour), Weekend 6:59pm-1:59am next day (1/2 hour)

Other transit stops within 0.5 mi walking distance of the project site are listed below:

Regent & N Allen WB and EB stops (approximately 0.38 mi walking distance) are served by Route 6.

- Route 6: Weekday 5:45am-11:11pm (1/2 hour), Weekend 6:14am-11:11pm (1/2 hour)

Highland & University NB (approximately 0.23 mi walking distance) and Highland & VA Hospital SB (approximately 2,000 ft walking distance) stops are served by Routes 11 & 44 in addition to Routes 2 & 10 mentioned above.

- Route 11: Weekday 6:50am-9:49am & 3:04pm-6:03pm (hourly)
- Route 44: Weekday 6:39am-9:41am & 2:46pm-5:49 pm (1/2 hour)

Walnut & Observatory WB (11, 44, 80), EB (11, 44, 80), NB (80), & SB (82) stops (approximately 0.38 mi walking distance) are served by Route 80 along with some of the Routes previously mentioned above.

- Route 80: Weekday 6:20am-1:21am next day (7-40 mins), Weekend 7:24am-1:21am next day (~45 mins or less)

University & University Bay WB and EB stops (approximately 0.50 mi walking distance) on Campus Drive are served by Routes 8, 12, 15, 70, & 72 in addition to Routes 2, 10, & 11 mentioned earlier.

- Route 8: Weekday 5:44am-11:04pm (1/2 hour), Weekend 6:44am-11:04pm (1/2 hour)
- Route 12: Weekday 6:14am-9:13am & 3:41pm-5:41pm (hourly)
- Route 15: Weekday 6:16am-10:16pm (1/2 hour-hourly)
- Route 70: Weekday 6:14am-10:58pm (hourly)
- Route 72: Weekday 6:48am-9:15am & 3:05pm-6:07pm (1/2 hour)

28. Describe the walking and transit routes for children to get to their elementary and middle schools.

Based on Madison Metropolitan School District's "find your school" tool, the elementary and middle schools assigned to 2208 University Avenue are the following: Franklin Elementary, Randall Elementary, Hamilton Middle, and West High.

Randall Elementary School is an approximately 0.62 mi walk (15 mins) from the project site. Students and/or their guardians can walk through the Regent neighborhood from the site down North Allen Street and east on Chadbourne Avenue. The walking route to Randall Elementary school is contained within the Regent Neighborhood streets. There isn't a direct metro transit route from the site as the school is fairly close to the development.

As Franklin Elementary School is 2.7 mi (53 minutes) walking distance from the project to the school, residents may likely rely on transit for children to get to school. From the project site, students and/or their guardians could walk approximately 910 ft from the development to the Franklin Black Route bus stop at the Chamberlin Ave & Walnut St intersection to get on the bus to Franklin. If desired, children and their guardians could also take the 2, 10, or 48 route that stops right in front of the property and transfer to the 13 route at the W Johnson & N Mills EB stop to get to the school as well.

As Hamilton Middle School is 2.2 mi (45 minutes) walking distance from the project to the school, students may also likely rely on transit to get to school. There isn't a specific school bus route for Hamilton Middle School currently as it will remain on Metro Transit through 2020-2021. With Metro Transit, residents could walk 0.38 mi to get on the Regent & N Allen stop, take Route 6 to the Mineral Point & S Segoe WB stop, and walk 0.33 mi to Hamilton. Residents could also take Route 2 from the University & Walnut stop right by the property to the Regent & Eau Claire stop, with an approximately 0.45 mi walk from the stop to the school.

There will also be both vehicle & bike parking onsite if residents prefer one of these methods of getting students to school instead.

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

The metro transit routes mentioned above will offer residents easy and quick access to transportation in all directions of the City, allowing residents to easily navigate to employment opportunities, services, and amenities, especially if they do not have their own personal vehicle. Bus routes 2, 10, 48, and 82 run directly in front of the site for easy access. Routes 2 & 82 provide both weekday and weekend service, while routes 48 & 10 only provide weekday service. However, there are also other transit stops located within 0.5 mi that residents can utilize just a short walk away.

In addition, this site is a "Biker's Paradise" with a Bike Score of 94. The Southwest Commuter Bike Path is located just 0.52 miles south of the site for resident use along with the bike routes throughout the streets. A bike lane runs right in front on the property on University Avenue and a bike boulevard runs along Kendall Avenue, just one street

south of the development. Bike parking will be provided on site per City requirements. With a Walk Score of 78, the project location is "Very Walkable" with many amenities and services located within walking distance of the site.

As can be seen from the list of amenities above, many amenities and services are located within 1 mile of the site including grocery stores, childcare, community centers, medical centers, the Monroe Street Library, and various parks. The project will also be providing underground parking, but with this location the residents will have a choice of which method they prefer to get around the City of Madison and won't have to rely on a vehicle for a majority of their daily errands in they choose so.

30. Describe the impact this housing development will have on the schools in this area. What percent are the current enrollment and 5-year projected capacities for the area schools? Ideal enrollment is considered 90%. Are the schools projected to be at, above, or below capacity? Approximately how many elementary and middle school children are projected to live at the proposed housing development based on your proposed unit mix and previous housing experience. 2019 school capacity information can also be found at:

https://accountability.madison.k12.wi.us/files/accountability/uploads/2019-11_fall_enrollment_reports.pdf

Based on Madison Metropolitan School District's "find your school" tool, the elementary and middle schools assigned to 2208 University Avenue are the following: Franklin Elementary, Randall Elementary, Hamilton Middle, and West High.

Using the 2019 enrollment data through the link above as 2020 enrollment data was substantially lower due to COVID-19 impacts, the 2019 report Current Utilization and Five Year Projected Utilization for each of the area schools is listed below.

- Randall Elementary: Current - 99.0%, Five Year - 83.8%
- Franklin Elementary: Current - 93.9%, Five Year - 83.6%
- Hamilton Middle School: Current - 79.9%, Five Year - 73.4%
- Madison West High School: Current - 99.0%, Five Year - 99.0%

Based on the 2019 report data, both Randall & Franklin elementary schools are currently above ideal capacity. However, the five year projected enrollment will put these schools below ideal capacity right around 83%. Hamilton Middle School is currently below the ideal capacity of 90% and is also anticipated to be below capacity with the five year projections. Madison West High School is the outlier as it is both currently above effective capacity and projected to be above ideal use of capacity in five years as well. Given that most area elementary & middle schools are projected to decline in enrollment over the next five years, combined with the impacts of COVID-19 decreasing enrollment in this most recent 2020-2021 school year, enrollment spots will open up at area schools & need to be filled. Potential students at The Heights Apartments may contribute in keeping or increasing the five year enrollment levels near ideal capacity of 90%.

When we had reached out to Kristian Chavira at the Madison Metropolitan School District on a recent area project, she provided some data from the 2018-2038 Student Enrollment Projections Update report, prepared by Vandewalle & Associates for MMSD. According to this report, large multi-family buildings (3-8 stories) will generate between 0.025 and 0.036 MMSD students per a unit. Based on these predictions, The Heights Apartments would be expected to have 2-3 MMSD students. Given that there are 16 three-bedroom units in this development, there could potentially be larger families at the development who would contribute more students than average. However, since the number of projected students due to the proposed building is so small, 2-3 students, this development is not projected to have a substantive impact on the capacity available at the area schools.

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

According to the Phase I Environmental Site Assessment completed for this site, the earliest structure onsite appeared in 1942 and was used as office space and a grocery up until 1975. From 1975-1992, the site use changed to an auto repair shop operated by Madison Muffler Warehouse and Gasoline Service Station (1979-1985). From 1992-present, the site has been operated by Don The Car Care Man as an auto repair shop.

A summary regarding True North's findings of the Phase I follows: "We did not find any evidence of a recognized environmental condition for this property. I would recommend that when you are doing geotechnical work that you have us swing by during the drilling to take a peak at the soils just to confirm that there isn't any concerns that you

might run into during development. Both of the adjoining sites were LUST sites but the data from both sites didn't show impacts to this site, hence them not being identified as a REC."

Our environmental consultant from True North will be onsite when borings are performed as recommended above to further confirm Phase I findings. We will fully investigate any environmental concerns that arise. If contamination, will properly dispose and incorporate vapor mitigation if needed.

32. Current zoning of the site: Commercial Corridor-Transitional (CC-T) An interactive version of the Zoning Map can be found linked [here](#).
33. Describe any necessary planning and zoning-related approvals (rezoning, conditional use permit, demolition, etc.) that must be obtained for the proposal to move forward.

The subject property is zoned Commercial Corridor-Transitional (CC-T) and is zoned appropriately to accommodate the proposed project with 79 units of multi-family housing and an approximately 750 sf commercial space on the ground floor. The project has also already received conditional use approval. A demolition permit and building permit will need to be obtained prior to construction.

34. Describe the proposed project's consistency with adopted [plans](#), including the City of Madison Comprehensive Plan (adopted 2018), Neighborhood Plan(s), Special Area Plans, the Generalized Future Land Use Map (interactive version linked [here](#)), and any other relevant [plans](#).

This project has already received conditional use approval and during this process was found to be consistent with all relevant adopted plans.

The City of Madison Comprehensive Plan (adopted 2018) emphasizes the need for Madison to have a range of quality affordable housing located throughout the City. Feedback from the community also addresses this high need for quality affordable housing, especially for developments located near amenities and transit to allow residents to save on transportation costs and have greater opportunities for jobs. The plan encourages integrating affordable housing into neighborhoods for greater support and chances of success. The plan also states "Integration of affordable housing into mixed-use areas is encouraged, especially along major transit corridors. Multifamily residential within the mixed-use category should contain a mixture of unit sizes, including three bedroom (or larger) units" (Page 22). On the Generalized Future Land Use Map, the site is identified as High Residential (HR) for predominantly larger and taller multi-family buildings 4-12 stories.

The Heights Apartments is consistent with the above feedback and recommendations from the community included in the Comprehensive Plan and Generalized Future Land Use Map. Located on University Avenue, this six-story affordable housing development would take advantage of a prominent transit corridor within the City. As such, the site has great access to area amenities and transit. The Heights also incorporates a mixed-use element with commercial space on the first floor and will offer a range of unit sizes from one to three bedrooms to provide opportunities for individuals/families in the community with varying needs. The surrounding community is a well-established neighborhood, the Regent Neighborhood, that will provide additional support for the development's success.

Throughout the design process, we have also taken the University Avenue Corridor Plan into close consideration. The plan's future land use map recognizes this area as neighborhood mixed-use (NMU) with three stories fronting University Avenue and a step back up to six stories. This area is recommended for mixed-use or purely residential with first floor neighborhood serving commercial spaces recommended in mixed-use buildings. High density residential up to 104 units/acre is recommended. The desired characteristics of the Corridor's vision statement include "mixed-use development, building design that emphasizes human scale, sustainable practices, and a range of housing types for students and long-term residents" (Page 27). The plan also specifically calls out this site for mixed-use redevelopment, "At the corner of Walnut Street and University Avenue, a gas station, car wash, and auto repair shop have been fixtures of the neighborhood for decades. These auto-oriented businesses are welcome in the neighborhood; however, if they should close, this intersection would be a prime site for mixed-use development with neighborhood-oriented businesses situated on the street level" (Page 12).

The Heights Apartments incorporates this guidance in the plan with a step back after three stories up to six stories and a neighborhood serving commercial space on the first floor (planned to be operated by black-owned mental health provider Anesis Therapy) to maintain a human-scale and create a walkable/pedestrian friendly feel at the street level. Neighborhood comments included an emphasis on sustainable and green practices. We will be

receiving Wisconsin Green Built certification and working with Focus on Energy to determine energy efficient and green features that may be feasible for the development. The Heights also incorporates social sustainability (Page 28) through providing affordable housing units in close proximity to area resources. The development will provide quality affordable housing opportunities for community members in all stages of life.

CITY AND COMMUNITY ENGAGEMENT PROCESSES

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

Staff comments generally related to building height, setbacks, usable open space, parking, and activation along the street.

36. Have you presented to the City's Development Assistance Team (DAT)? If so, please summarize the staff comments to your proposal and reference the date of the presentation. If not, what is the anticipated date of the DAT presentation?

Yes, we presented back in fall of 2020. We addressed all comments in our subsequent land use application for our conditional use permits.

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

The Alder at the time of land use application, Alder Bidar, was very supportive of this development. She encouraged us to ensure that we remain consistent with the neighborhood plan -- particularly as it related to maximum recommended building height at 6 stories as well as the building being stepped back at floors 4-6. Alder Bidar encouraged us to be thoughtful in how we engage at street level along University Ave, which we did with our commercial space and built in planters. A new Alder, Regina Vidaver, was elected this spring. Alder Vidaver is extremely excited about this potential project and has pledged her full support moving forward. She had no concerns other than ensuring that this development comes to fruition.

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

We conducted two neighborhood meetings. At both meetings, the vast majority of neighbor comments were supportive of the development. Concerns were generally consistent with the Alder's concerns regarding the building height and street activation along University Ave. Several neighbors encouraged additional focus on energy efficiency. At least one neighbor raised concerns regarding parking. We addressed all comments in our land use application submittal, including building height, setbacks, parking, and street activation.

39. Amid the environment created by the COVID-19 pandemic, how will you engage and communicate with residents and stakeholders differently than in years past?

The above referenced neighborhood meetings were conducted virtually via Zoom. This allowed neighbors to participate in both meetings despite restrictions on in-person meetings.

40. Describe your plans for supplemental neighborhood meetings and other ways of engaging residents. How will residents be engaged or given the opportunity to participate in the design process (e.g., steering committee, charrette, survey, presentations, website, etc.)?

Although a second neighborhood meeting may not have been warranted considering the limited concerns raised at the first neighborhood meeting, we did agree to conduct a second meeting in order to present our more refined program to the neighborhood and allow for further engagement.

41. Describe how this development will promote social equity in the community and the greater Madison area. How will the proposal embrace the City's [Racial Equity and Social Justice Initiative](#)?

Through developing quality affordable housing in a well-established neighborhood and at a site that does not have a subsidized or affordable family rental housing development within 1.25 miles according to the market study, The Heights Apartments aims to distribute affordable housing throughout the City and promote social sustainability for access to resources, amenities, jobs, and transit within the community. Residents in our supportive housing units will also be connected to supportive services that may be needed.

In addition to our supportive service partners, MSP Real Estate has a signed MOU with Anesis Therapy, a black-owned mental health outpatient clinic, to lease the commercial space on the ground floor. Anesis Therapy's mission is "Helping people navigate the mental health and wellness aspects of their life in a way that honors culture, family, community, and faith." Anesis Therapy also has a diverse staff that specializes in many areas and can offer services in English, Spanish, and Hmong. Fees charged for services provided will be affordable to persons at or below the 60% income level with a sliding scale fee schedule, which has fees starting at \$5 per visit for the lowest income residents. MSP Real Estate has agreed to lease the facility to Anesis Therapy at well below market rate rents in order to help ensure the Operator can provide services that will help improve the life of community residents and be affordable to individuals whose income is at or below 60% of the area median income. Due to trauma caused by the chronic stress of poverty and the barriers and challenges that poverty can create, many children, youth, and adult participants benefit from a support mechanism provided at a service location where they feel safe, connected, and supported. We feel that this commercial tenant will be a great asset for both residents of the development itself and the community.

MSP Property Management will also perform outreach in accordance to the Affirmative Fair Housing Marketing Plan (see Section 1b.ii for The Heights' Affirmative Fair Housing Marketing Plan) to populations least likely to apply for housing at the development. MSP Property Management and this development will adhere to local, state, and the federal Fair Housing Law (Title VIII of the Civil Rights Act of 1968, The Fair Housing Amendments Acts of 1988 and Section 504 of the Rehabilitation Act of 1973, all as amended), which stipulates that it is illegal to discriminate against any person on the basis of race, color, creed, religion, sex, national origin, marital status, status with regard to receipt of public assistance, disability, familial status, sexual orientation and gender identity. Each full time employee of MSP Property Management is required to participate in Fair Housing training annually with periodic updates to Fair Housing regulations distributed to all employees for review.

42. Have you or will your development team be willing to provide a meaningful intern or employment opportunity to a student or graduate of the Associates in Commercial Real Estate (ACRE) program on this or another project? If so, describe how your development team will address this priority?

MSP is committed providing a meaningful internship opportunity to an ACRE student/graduate with MSP Companies in the Summer of 2023. The intern will have an opportunity to work with and gain insight on all aspects of the real estate process including development, construction, and property management. The student or grad would be on the team during the most critical time for the project as construction is closed and the project is leased up. The ACRE student/graduate would also have the chance to work with multiple projects and properties under MSP Companies. The exposure to multiple aspects of the real estate process and multiple properties would be a great opportunity for ACRE students/graduates to gain experience the real estate industry and gain insight on multiple aspects and routes within the real estate field. As part of the internship experience, we will work to facilitate job shadow opportunities with our architect and a lender. We would request up to \$10,000 of our City AHF funding be treated as a grant to cover these costs associated with having a paid summer internship.

SITE AMENITIES

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

The Heights Apartments exterior amenities will include private balconies/patios for each unit, an outdoor community room patio, and a tot lot.

44. Describe the interior common area amenities that will be available to tenants and/or guests (e.g., community rooms, exercise room, business center, etc.). What parking will be provided and at what cost? Will the cost vary by CMI level? For family developments, will there be a year-round indoor play space for children?

Interior common amenities will include a community room, fitness center, tenant storage, and an on-site property manager that will have a leasing office to assist residents at the property. Two levels of underground parking will be provided at an additional cost of \$85/stall for all tenants. Parking stalls provided will be in accordance with the City requirements. The project will have an outdoor tot lot onsite.

45. For proposals contemplating first floor commercial space, describe if/how the space is planned for a neighborhood- or community-enhancing tenant (e.g. childcare, senior center, community facility, etc.). Describe if a prospective tenant or use has already been identified or how a prospective tenant will be found and will help inform the space's design.

MSP Real Estate has a signed MOU with Anesis Therapy, a black-owned mental health outpatient clinic, to lease the approximately 750 sf commercial space on the ground floor. Anesis Therapy's mission is "Helping people navigate the mental health and wellness aspects of their life in a way that honors culture, family, community, and faith." Services offered include mental health, substance abuse, and case management services to individuals, couples, families, children, and adolescents. Anesis Therapy also has a diverse staff that specializes in many areas and can offer services in English, Spanish, and Hmong.

Fees charged for services provided will be affordable to persons at or below the 60% income level with a sliding scale fee schedule, which has fees starting at \$5 per visit for the lowest income residents. In addition to these discounted rates and quality service, clients are entitled to financial counseling by someone who can understand and offer possible solutions for those who cannot pay in full. The Patient Account Representative's role is that of a patient advocate who works with the patient and or/guarantor to find reasonable payment alternates.

MSP Real Estate has agreed to lease the facility to Anesis Therapy at well below market rate rents in order to help ensure the Operator can provide services that will help improve the life of community residents and be affordable to individuals whose income is at or below 60% of the area median income. The project is subsidizing the rent paid by Anesis Therapy for the commercial space by approximately \$10,000-\$15,000 per year.

Anesis Therapy has also assisted in informing the space's design as a ground floor commercial unit with private entry along University Avenue. With the Operator's input, the layout of the space is intended to have three offices, a waiting area, and a small storage area with kitchenette.

The Market Study for The Heights Apartments notes that "considering the health and demographic data we have provided above, we believe the subject's location is well-situated within an area that is in need of a Community Service Facility providing mental health, substance abuse, and case management services." Due to trauma caused by the chronic stress of poverty and the barriers and challenges that poverty can create, many children, youth, and adult participants benefit from a support mechanism provided at a service location where they feel safe, connected, and supported.

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

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

PROPOSAL TIMELINE

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

Activity/Benchmark	Estimated Month/Year of Completion
Draft Site Plan Ready to Submit to Dev. Assistance Team (DAT) [<i>Target/Actual Month/Date</i>]	Complete
1 st Development Assistance Team/ Meeting (Due by 8/6/21) [<i>Target/Actual Month/Date</i>]	Complete
1 st Neighborhood Meeting (Due by 8/19/21) [<i>Target Month/Date</i>]	Complete
Submission of Land Use Application (Zoning Map Amendments Due by 9/15/21)	Complete
Submission of Land Use Application (Permissively Zoned Due by 10/6/21)	Complete
Plan Commission Consideration (If Rezoning, Due by 11/22/21 for 12/7/21 Common Council)	Complete
Urban Design Commission Consideration, if applicable [<i>Target Month/Date</i>]	Complete
Application to WHEDA	Complete - 12/2020
Complete Equity & Debt Financing	12/2021
Acquisition/Real Estate Closing	12/2021
Rehab or New Construction Bid Publishing	11/2021
New Construction/Rehab Start	02/2022
Begin Lease-Up/Marketing	02/2023
New Construction/Rehab Completion	08/2023
Certificates(s) of Occupancy Obtained	08/2023
Complete Lease-Up	01/2024
Request Final AHF Draw	09/2023

HOUSING INFORMATION & UNIT MIX

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

ADDRESS #1:		2208 University Avenue, Madison, WI 53726									
		# 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%	16	0	12	2	2	0		580	696	804	
40%	0	0	0	0	0	0					
50%	32	0	22	2	8	0		966	1160	1340	
60%	14	0	10	3	1	0		1160	1392	1608	
Affordable Sub-total	62	0	44	7	11	0					
80%	0	0	0	0	0	0					
Market*	17	0	3	9	5	0		1195	1740-1790	2040	
Total Units	62	0	44	7	11	0	Notes/Utility Allowance Assumptions:2020 DCHA Utility Allowance Worksheet				

*40% = 31-40% CMI; 50% = 41-50% CMI; 60% = 51-60% CMI; 80% = 61-80% CMI; Market = >81% 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					
Affordable Sub-total	0	0	0	0	0	0					
80%	0	0	0	0	0	0					
Market*	0	0	0	0	0	0					
Total Units	0	0	0	0	0	0	Notes/Utility Allowance Assumptions:				

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

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

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

☒ Washer/Dryer ☐ Other: _____

ENERGY EFFICIENCY, RENEWABLE ENERGY & SUSTAINABLE DESIGN

50. What is your organization's track record of developing projects that incorporate extraordinary sustainable, energy efficient, and/or green building design techniques? Please list any awards, industry standards or third-party certifications achieved on projects developed in the past ten years, LEED®, WELL, Passive House, etc.

Our previous WHEDA developments have received Wisconsin Green Built Verification or Certification in order to receive the maximum points under WHEDA's Energy and Efficiency scoring category (see complete list of projects under Section 2g). The Heights will also be a Wisconsin Green Built Certified project in order to receive the maximum points under this WHEDA category. To receive this certification for The Heights, the project will score at least 200 points under Wisconsin Green Built scoring.

MSP has also implemented solar arrays on some of our more recent affordable housing projects. A project that we are finishing up in Wauwatosa includes a 127 kW solar array. The Oscar Apartments in Madison plans to include an approximately 53 kW solar array, and Taylor Pointe Apartments located in McFarland plans to include an approximately 26 kW solar array.

51. Please describe how this proposed development will contribute to the City's goal of 100% renewable energy and zero-net carbon emissions (originally adopted March 21, 2017). What size/range of solar array is anticipated? If not yet known, what percentage energy offset is the development aiming to provide via the solar array?. For more information, see [100% Renewable Madison Report](#).

As mentioned above, The Heights Apartments will achieve Wisconsin Green Built Certification by incorporating various sustainable, energy efficient, and/or green building design techniques to score at least 200 points under Wisconsin Green Built Scoring Checklist. Some of the green features that this project plans to feature include a highly efficient building envelope, windows with a U value of 0.35 or less, high efficiency furnace (95% or higher) and boiler (92% or higher), high efficiency air conditioner or heat pump, low flow showerheads and faucets, all ENERGY STAR qualified appliances, and ENERGY STAR qualified light fixtures. These efficiencies will give the residents savings on their gas and electricity bills along with a significant savings to the project for common area utilities including water/sewer, gas, and electricity.

MSP is looking into installing a solar array on this project, but cannot commit to a solar array at this time due to potential stormwater management practices. As the site is quite narrow due to being an infill site, a blue roof may be required to help handle stormwater, which may impact the potential for solar on the roof. There is a potential that the solar array could be installed over a blue roof system depending on the necessary capacity. We are currently analyzing stormwater management practices and will continue to consider a solar array if feasible.

Another feature that contributes to the green features of this project is site location itself. As the proposed project is located on an infill site well-served by transit and in close proximity to many amenities and services as mentioned above, the location diminishes reliance on cars and encourages walking, biking, and use of City transit. Not only is this a benefit for the residents to lower transportation costs, but it is also a benefit for the City's goal of achieving zero net carbon emissions. The Heights will also comply with the City's bike parking and EV requirements in place to help achieve this goal.

The energy efficiency strategies mentioned above will reduce overall energy consumption of the project to help cut down net carbon emissions in reaching the City's goal. The location of the project site itself would lessen residents' reliance on personal vehicles for transportation, reducing potential carbon emissions. In close proximity to transit, the project would also allow residents to take advantage of the City's transit system, especially as the City aims to reduce fuel consumption in the City fleet and switch out to electric busses, allowing the development to further the efforts of City strategies toward this goal. We will also work with Focus on Energy in determining if there are other feasible solutions to help reduce the project's carbon footprint.

52. Please describe the proposed project's energy efficiency goals. Please attach a copy of the confirmation page demonstrating that your organization has submitted an [Initial Application](#) for Focus on Energy's Energy Design Assistance program. Identify any third party certification, such as LEED®, WELL, Passive House or similar, that will be sought. If known at this time, describe the level of savings of projected energy usage over baseline the development will commit to incorporating in the building's design.

We have submitted an application to Focus on Energy's Design Assistance program and plan to "incorporate a minimum of 20% savings of projected energy usage calculated via Focus on Energy's program baseline" per the AHF RFP. Through working with Focus on Energy, we will also look into incorporating a higher level of energy efficiency strategies if feasible.

See Section 3e for confirmation of application submittal & acceptance to Focus on Energy's Design Assistance program.

As mentioned above, The Heights Apartments will achieve Wisconsin Green Built Certification by incorporating various sustainable, energy efficient, and/or green building design techniques to score at least 200 points under Wisconsin Green Built Scoring Checklist. Some of the green features that this project plans to include are a highly efficient building envelope, windows with a U value of 0.35 or less, high efficiency furnace (95% or higher) and boiler (92% or higher), high efficiency air conditioner or heat pump, low flow showerheads and faucets, all ENERGY STAR qualified appliances, and ENERGY STAR qualified light fixtures.

53. How will this project contribute to creating a walkable, human-scaled community inside and outside the property lines?

We utilized the University Avenue Corridor Plan as a guide in creating a development that emphasizes the human-scale as desired by the community. While the building is six stories total, there is a setback after three stories per the University Avenue Corridor Plan to open up the building façade along University Avenue and relate to the human-scale. We also took into consideration comments on setbacks to ensure that the height of the building wouldn't feel confining to pedestrians. Street activation is another factor that we are incorporating to encourage a walkable and human-scaled environment. The commercial space on the first floor along University Avenue will open up the base of the building with windows and doors. Several of the first floor units will also be designed to have outdoor entries in order to receive maximum scoring per WHEDA's Serves Large Families category, adding to street level activation. Landscaping and built-in planters are additional elements that will be taken into consideration throughout the design process to emphasize the desired qualities of human-scale and walkability.

54. Describe how the local south-Central Wisconsin climate will inform the design of the proposed development and the challenges it will present.

MSP has constructed several developments in the Madison-area and throughout south-Central Wisconsin throughout the years and we are familiar with the challenges that the climate presents. Our buildings are typically constructed with highly durable materials, including masonry and fiber cement siding, to help uphold against the elements throughout the project's lifetime. We also typically aim to include windows with a U-value less than 0.35 and incorporate a highly efficient shell to minimize transfer of heat, aiming to create an energy-efficient building in a constantly changing climate.

On previous projects in the Madison-area, we have also become familiar with the high water table that sites in the City may present and the dewatering techniques that may be required both during and post construction. An additional consideration on this site that we are currently analyzing is stormwater management practices and whether or not this site will require a blue roof due to being located on a narrow, infill site.

55. Describe this development's proposed strategies to reduce reliance on municipal water sources (i.e. water efficiency). Will the development incorporate systems to recapture and/or reuse water generated on-site?

Efficient showerheads and faucets will be required to be installed in all units of the project. Showerheads installed must be low flow showerheads with 1.75 gpm or less. Faucet aerators (both kitchen & bathroom) installed must have a rating of 1.5 gpm or less.

56. What building design and HVAC considerations will your team include to enhance community resiliency for building inhabitants in the face of a potential future pandemic?

We've been incorporating touchless motion-activated sliding front doors to limit surface touching. All apartment units will have individual HVAC units to ensure that apartments are not sharing air with their neighbors. Our common area corridor widths exceed code minimums to facilitate enhanced social distancing among residents. Our community room will feature a generous outdoor patio to allow for open air socializing.

57. Describe this development's approach to accessibility, including the number and percent of accessible units proposed for each of level of accessibility. Will this development meet or exceed the minimum requirements? For rehab, describe the accessibility modifications that will be incorporated into the existing development.

We are doubling the percentage of Type A units from the code required to 2% up to 4%. All remaining units will be Type B. Then, we are generally increasing the percentage of units with Universal Design elements from 20% to either 30% or 50%, depending on the specific features.

The Heights Apartments will follow WHEDA's Universal Design criteria in order to maintain maximum point allocation under WHEDA's Universal Design category. The common areas and 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 50% of units (39 units) unless otherwise indicated:

- 1a) 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. (30% of units)
- 1b) Sinks/vanities shall meet the requirements of Section 1103.12.4 including a height of 34" maximum above the floor with a clear floor space for forward approach. (30% of units)
- 2) Provide standard roll-in type shower compartment per Section 608.2.2. A two inch (2") maximum raised curb is acceptable. Minimum 10% of total development units (8 units - note that this is double the WHEDA requirement).
- 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 1103.5, excluding maneuvering clearances, but including 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 ANSI Intent Statement: Section 309 states that operable parts must be located within one of the reach ranges specified in Section 308. (30% of units)
- 7) Provide minimum one accessible work surface that meets all requirements of Section 1103.12.3 including top of counter at 34" above the floor, minimum 30" wide, and a clear floor space for forward approach. (30% of units)
- 8) Entrance doors to the unit shall comply with Section 404 including delayed action closers, maneuvering clearances, low profile threshold, and door hardware. A screen door or storm door may be added in addition to the entrance door with installation ANSI Intent Statement: The entrance door to the dwelling unit requires additional maneuvering clearances because a closer and latch are provided at this door. The maneuvering clearances at the interior and exterior side of the door are determined by direction of travel and are diagramed at Figure 404.2.3.2. (30% of units)
- 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 20% of total development units (16 units -- note that this is double the WHEDA requirement).
- 10) Carpet shall have 1/2" maximum pile and meet all requirements of Section 302.2. (30% of the units)
- 11) Unit light switches shall be Rocker type light switches.

See Section 1b.iii for additional supplemental information on accessibility features that will be incorporated into The Heights Apartments per our signed Appendix M - WHEDA Housing Tax Credit Design Requirements. Per Appendix M, all dwelling units will have an accessible route from parking/street level to the dwelling unit.

58. Describe this development's level of commitment to the principles of Universal Design. Elaborate on how the development team will incorporate Universal Design components in residential units, commercial space, and common areas, and how the development will exceed building code standards for Type A units. What percentage or number of units in the proposed development will incorporate Universal Design principles?

See above for detailed response regarding our commitment to Universal Design and Accessibility. Again, we are doubling the percentage of Type A units from 2% to 4%. All common area bathrooms, community room, and other common areas will be ADA compliant.

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

N/A - New Construction

REAL ESTATE PROJECT DATA SUMMARY

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

	# of Units Prior to Purchase	# of Units Post- Project	# Units Occupied at Time of Purchase	# Biz or Residential Tenants to be Displaced	# of Units Accessible Current?	Number of Units Post- Project Accessible?	Appraised Value Current (Or Estimated)	Appraised Value After Project Completion (Or Estimated)	Purchase Price
Address:	2208 University Avenue, Madison, WI 53726								
	1	79	1	1	0	16-39 (See Q. #57)	NA	NA	1,900,000
Address:	Enter Address 2								
Address:	Enter Address 3								

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

An auto repair shop, Don The Car Care Man, is currently located on the site. The existing building is still in use, but will be vacated prior to the land closing and demolished prior to construction. The current owner has another auto repair location on the west side of Madison that they will continue to operate after ending operations at the University Avenue site.

Demolition of the building would be expected once all the funding sources for this application have been awarded. Demolition is not expected to occur until after January 2022.

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

The current owner, Don The Car Care Man, has another auto repair location on the west side of Madison that they will continue to operate after ending operations and vacating the University Avenue site. As such, there is no displacement and no relocation requirements needed.

DEVELOPMENT TEAM

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

The property will be an LLC (The Heights Apartments, LLC) with MSP Real Estate, Inc. or its assigns having a 49% ownership interest in the managing member entity. Our non-profit partner, Midwest Housing Collaborative, Inc., will have a 51% ownership interest in the managing member entity.

The managing member entity will have a 0.01% ownership interest in the overall property LLC and the limited partner will have a 99.99% ownership interest in the overall property LLC. The limited partner will be owned 100% by the equity investor who will be purchasing the LIHTC. The equity investor has not been determined at this time.

MSP Real Estate, the Developer, will assign land rights to The Heights Apartments, LLC or other to be named LLC for The Heights Apartments.

See Section 2h for the complete organizational chart.

64. For projects that will be co-developed with a non-profit partner, please explain the non-profit's role in the development. State if the non-profit will have a controlling interest (as memorialized in organizational documents), Right of First Refusal, or General Partner Purchase Option. If not, please elaborate on how the non-profit organization will be involved in the long-term ownership of the development.

A non-profit entity, Midwest Housing Collaborative, Inc. (MHC), will have a 51% ownership interest in the managing member. MSP Real Estate, Inc. or its assigns will have a 49% ownership interest in the managing member. While the structure of this deal does not lend itself to granting our non-profit partner a controlling interest, Right of First Refusal, or General Partner Purchase Option, MSP hereby agrees to provide the City with notice of intent to sell consistent with our past deals with the City.

- a. For projects that will be co-developed with a BIPOC or minority developer, please explain the non-profit's role in the development. State what percentage stake the BIPOC or minority developer will have in the development, cash flow, etc. (as memorialized in organizational documents). If the development team will partner with a BIPOC or minority developer but will not provide a stake in the organization structure, please elaborate on how the BIPOC or minority developer will be involved in the long-term ownership of the development.

N/A

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

Contact Person	Company	Role in Development	E-mail	Phone
Jerry Bourquin	Dimension IV Madison Design Group	Architect	jbouquin@dimensionivmadison.com	608-829-4452
Katie Rist	Foley & Lardner	Attorney	KRist@foley.com	608-258-4317
Brian Martin	MSP Property Management	Property Management	bmartin@msphousing.com	608-831-7004
Glen Weyenburg	SVA	Consultant/Accountant	WeyenbergG@sva.com	608-826-2005
Ben Shearer	MSP Construction	General Contractor	bshearer@msphousing.com	414-208-8745
Mark Hammond	MSP Real Estate	VP of Development	mhammond@msphousing.com	612-868-9997
Myra McNair	Anesis Therapy	Commercial Space Tenant	myra@anesistherapy.com	608-268-6530
Melissa Sorensen	Salvation Army of Dane County	Supportive Services Partner	melissa.sorensen@usc.salvationarmy.org	608-250-2237
James Quattromani	Dane County Veterans Service Office (DCVSO)	Supportive Services Partner	quattromani.james@countyofdane.com	608-266-4158

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

Company	Role in Development	# AND % Employees who are Women	# AND % Employees who are Persons of Color
MSP Real Estate	Developer	3 - 42.85%	0 - 0.00%
	Co-Developer		
	Co-Developer		
MSP Construction	General Contractor	3 - 30.00%	0 - 0.00%
MSP Property Managment	Property Manager	4 - 44.44%	0 - 0.00%
Dimension IV Madison Design Group	Architect	9 - 43.00%	3 - 14.28%
Anesis Therapy Salvation Army DCVSO	Service Provider	35 - 76.00% Requested & Pending Requested & Pending	42 - 91.00% Requested & Pending Requested & Pending

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

See Section 2 for MSP's experience and capacity in obtaining and successfully implementing LIHTC developments.

68. Will the development team commit to making annual payments on the AHF Cash Flow Note concurrently with repayment of the deferred developer fee? If yes, explain how this will be memorialized in organizational documents, including the final Amended and Restated Operating Agreement.

Yes we will commit to making annual payment on the AHF Cash Flow Note to extent there is sufficient available cash flow to repay the deferred fee in a time period acceptable to our tax credit equity investor. This would be reflected in the cash flow waterfall in the final Amended and Restated Operating Agreement.

69. [Acquisition/Rehab & Preservation Proposals ONLY]: Please provide the desired loan terms as described in Section 1.4 of the RFP.

N/A - New Construction

REFERENCES

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

Name	Relationship	Email Address	Phone
Josh Resch	Banking	joshuar@starionbank.com	608-224-5546
Kevin Kilbane	Tax Credit Equity	kevin.kilbane@raymondjames.com	216-509-1342
Paulette Enders	Community Development	penders@wauwatosa.net	414-479-3531

71. Please provide your estimated **WHEDA self-score** in the table provided. Projects already in receipt of a tax credit award can skip this question.

Scoring Category	Max Points	Projected Points
1. Lower-Income Areas	5	N/A
2. Energy Efficiency and Sustainability	20	N/A
3. Mixed-Income Incentive	12	N/A
4. Serves Large Families (Three-bedroom or larger units)	5	N/A
5. Serves Lowest-Income Residents	60	N/A
6. Supportive Housing	15	N/A
7. Veterans Housing	5	N/A
8. Rehab/Neighborhood Stabilization	25	N/A
9. Universal Design	18	N/A
10. Financial Leverage	36	N/A
11. Eventual Tenant Ownership	3	N/A
12. Development Team	12	N/A
13. Areas of Economic Opportunity	28	N/A
Median Income	5	N/A
School District (Family-Only)	5	N/A
High Need Area/Respondent to RFQ	5	N/A
Avg. Renter Household Paying >30% on Housing	5	N/A
Access to Services & Amenities	10	N/A
14. Rural Areas Without Recent HTC Awards	8	0
15. Workforce Housing Communities	12	N/A
16. Community Service Facilities	5	N/A
TOTAL	269	N/A

PLEASE ATTACH THE FOLLOWING ADDITIONAL INFORMATION (such as assessment and referral, on-site intensive case management, etc.) **AND CHECK THE BOX WHEN ATTACHED:**

- ☒ 1. A completed Application Budget Workbook, showing the City's proposed financial contribution and all other proposed financing.
- ☒ 2. Description of the Development Team's Experience and Capacity per Section 2.4, Item 2 of the RFP.
- ☒ 3.a. Letter(s) from Supportive Service Provider(s) detailing what services are necessary to be adequate for the number of supportive housing units and target population as well as what level of services they intend to provide.
- ☒ 3.b. A detailed map of the site and a second map using the AHF Affordable Housing Targeted Area Map showing the site in the context of the City.
- ☒ 3.c. A preliminary site plan and drawings, if available.
- ☐ 3.d. A Capital Needs Assessment report of the subject property, if the proposal is for a rehabilitation project and if the report is available at the time of application.
- ☒ 4. A confirmation page demonstrating that an Initial Application for Energy Design Assistance was submitted to Focus on Energy
- ☒ 5. Written confirmation from the Zoning Administrator of permissive zoning or a letter confirming the proposed site's zoning status and process.

NOTE: If a preliminary site plan is not available at the time of application, submittal will be required for DAT on August 6, 2021 with submittal with week prior. If the Capital Needs Assessment is not available at the time of application for a rehab project, submittal will be required by August 19, 2021.

Section 1b – Supplemental Information to Application Questions

- **1b.i – Resident Selection Plan & Tenant Screening Criteria B**
- **1b.ii – Affirmative Fair Housing Marketing Plan**
- **1b.iii – WHEDA Appendix M Tax Credit Design Requirements**

1b.i – Resident Selection Plan & Tenant Screening Criteria B

RESIDENT SELECTION PLAN – MULTI-FAMILY

This property is a non-age restricted apartment community for low-to-moderate income families. This property subscribes to the following procedures for qualifying applicants for occupancy in this rental development.

Additional restrictions may apply dependent on financing.

Equal Housing Opportunity

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

THIS IS AN EQUAL HOUSING OPPORTUNITY COMMUNITY

Age and Occupancy Standards

Occupancy standards for this development are no more than 2 people per bedroom. Exceptions may be made on non-senior properties for minors under the age of 2 years old. Minimum occupancy preference is that each affordable unit will be occupied by a minimum of one person per bedroom at the time of occupancy for non-age restricted units.

Income Requirements

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

Resident Selection Procedures

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

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

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

Occupancy Preferences

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

- A. Preference will be given on a first come first serve basis for all units. There will be a preference for affordable units given to residents with a minimum of 1 household member to a bedroom. The appropriate earnest money deposit and application fee (if applicable) must accompany each rental application in order to be processed. Apartments will not be held for more than 48 hours without the application and earnest money deposit. For units that are identified for supportive housing, those units will be held open for a minimum of 30 days or until WI OHS or local collaborative long term support partners, in conjunction with the management agent, finds a person meeting the target definition and requisite income qualifications to lease the unit. After the 30 days, the unit may be leased to any otherwise income qualifying applicant(s). If the application is accepted, the earnest money will be put toward the security deposit balance. If the application is rejected, the earnest money will be returned to the applicant within 21 days of the rejection notification. The application fee (if applicable) is non-refundable 48 hours after the application and fee are submitted to management for processing. This fee is used by management to cover costs of processing applications and running credit and criminal history reports, etc.
- B. In accordance with Section 504 of the Rehabilitation Act of 1973, accessible units are allocated using a special priority approach. When accessible units become available, the housing provider will offer the units in the following order:
1. To current residents who would benefit from the available unit's accessibility features, but whose current unit does not have such features.
 2. To eligible and qualified households on the waiting list with disabilities who would benefit from the available unit's accessibility features.
 3. To other eligible and qualified households on the waiting list (i.e., without disabilities) who may desire the unit, however management may require the household to agree, in writing, to transfer to a non-accessible unit at the owner's request. The request will only be made if an accessible unit is not available to a person who requires the unit's features.

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

Unit-Transfers

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

Rental Application

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

Selection Criteria/Certification Process

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

- A. Insufficient/Inaccurate Information on Application.
If management determines that the applicant has not fully cooperated in all aspects of the application process, or if it is determined that the applicant has falsified information, it is cause for immediate rejection of the application.
- B. Credit and Financial Standing
 - 1. Management will consider whether all applicants have a satisfactory history of meeting financial obligations, (including timely payment of rent, outstanding judgments or a history of late payments of bills). If management rejects an application based upon the credit report, the applicant will be provided with the name of the credit-reporting agency that performed the credit check. Management will not disclose the specifics of any information reported by the credit bureau. Applicants will be given the opportunity to correct or clear the adverse credit.
 - 2. The inability to verify credit references is a factor for rejection of an application. Consideration will be given to special circumstances in which credit has not been established.
- C. History of Residency
Management will consider whether the applicant or any other person who will be living in the unit, has a history of physical violence to persons or property, or has exhibited living habits at prior residences that could adversely affect the health, safety, and quiet enjoyment of other residents at the rental community. Management will consider all circumstance regarding this type of activity as well as the period during which it occurred. An Applicant may not be denied admission on the basis that that the applicant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, if the applicant or tenant otherwise qualifies for admission as stated under the **Compliance with the Violence Against Women Act (VAWA)**.
- D. Other Reasons for Rejection (unless prohibited by local, state or federal law) include, but are not limited to:
 - a. A household member's conviction record (see Attachment B): (Management will take into account evidence that the individual has maintained a good tenant history and/or after the criminal conduct occurred. Management will not reject applicants solely based on arrest records (without conviction));
 - b. Anyone who will live in the apartment who is currently engaged in the use of illegal drugs. (Management will not discriminate against qualified applicants who are former drug users or who have undergone drug or chemical sensitivity treatment. (see Attachment B));
 - c. Rent delinquency;
 - d. False, inaccurate or missing information on the rental application and other related documentation;
 - e. Refusal to accept the lease provisions (rules and regulations, occupancy standards, amount of rent, the unit must be the primary place of residency, etc.) or the Program requirements.

Pet Policy

Pets may be permitted at this development. Refer to pet lease addendum for pet requirements (breed restrictions may apply). Preapproval by management is required and pet lease will be executed between the household and the owner. Service animals as defined in Section 504 of the Rehabilitation Act of 1973, 42 USC Part 12100 (1990) and the Fair Housing Amendments Act, 42 USC Sect. 3604 (1988) and 24 CFR Sect. 100.204 (1989), are permitted. Service animals include "any guide dog, signal dog, or other animal individually trained to provide assistance to an individual with a disability." Confirmation of the need for a specific service animal may be required from a medical professional. *(A companion animal for a person with an emotional disability is also considered a "service animal." This type of service animal requires verification from a medical professional that the individual meets the definition of "disabled," and that there is a need for a specific companion animal.)*

Application Approvals

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

Application Rejections

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

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

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

Screening Criteria

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

Applicants will not be denied solely due to:

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

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

Attachment A: Current Income Limits

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

Attachment A: Current Income Limits

Family Size	1	2	3	4	5	6	7	8
Dane 30%	21,660	24,750	27,840	30,930	33,420	35,880	38,370	40,830
Dane 50%	36,100	41,250	46,400	51,550	55,700	59,800	63,950	68,050
Dane 60%	43,320	49,500	55,680	61,860	66,840	71,760	76,740	81,660

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

Attachment B

SCREENING CRITERIA & RELEASE FORM

CREDIT REPORT SCREENING:

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

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

FALSIFICATION OF INFORMATION:

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

CRIMINAL CONVICTIONS/CURRENT DRUG USE:

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

SIGNATURE CLAUSE:

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

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

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



Tenant Selection – Criteria B

Income

Test – Monthly Income > 2 Times Rental Amount

If No, other considerations:

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

Prior Tenant History

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

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

- Co-signor
- Written payment plan with landlord owed money and proof that payment plan is being adhered to

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

Landlord References

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

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

Criminal Background Check

Test – Deny for violent felony convictions within the last 50 years but allow for appeals and consideration for extenuating circumstances

Test – Deny for non-violent felony convictions within the last 15-30 years but allow for appeals and consideration for extenuating circumstances

Test – Use in-house Yardi criteria for misdemeanor convictions that require a 5, 7, 15, or 30 year lookback (see table next page).

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

MSP 'B' SCREENING CRITERIA CRIMINAL OFFENSES

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

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

Affirmative Fair Housing Marketing Plan (AFHMP) - Multifamily Housing

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

OMB Approval No. 2529-0013
(exp.1/31/2021)

1b.ii – Affirmative Fair Housing Marketing Plan

1a. Project Name & Address (including City, County, State & Zip Code)	1b. Project Contract Number	1c. No. of Units
	1d. Census Tract 9.02	
	1e. Housing/Expanded Housing Market Area	

1f. Managing Agent Name, Address (including City, County, State & Zip Code), Telephone Number & Email Address

1g. Application/Owner/Developer Name, Address (including City, County, State & Zip Code), Telephone Number & Email Address

1h. Entity Responsible for Marketing (check all that apply)

Owner Agent Other (specify)

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

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

2a. Affirmative Fair Housing Marketing Plan

Plan Type

Date of the First Approved AFHMP:

Reason(s) for current update:

2b. HUD-Approved Occupancy of the Project (check all that apply)

Elderly

Family

Mixed (Elderly/Disabled)

Disabled

2c. Date of Initial Occupancy

2d. Advertising Start Date

Advertising must begin *at least* 90 days prior to initial or renewed occupancy for new construction and substantial rehabilitation projects.

Date advertising began or will begin

For existing projects, select below the reason advertising will be used:

To fill existing unit vacancies

To place applicants on a waiting list (which currently has individuals)

To reopen a closed waiting list (which currently has individuals)

3a. Demographics of Project and Housing Market Area

Complete and submit Worksheet 1.

3b. Targeted Marketing Activity

Based on your completed Worksheet 1, indicate which demographic group(s) in the housing market area is/are *least* likely to apply for the housing without special outreach efforts. (check all that apply)

White	American Indian or Alaska Native	Asian	Black or African American
Native Hawaiian or Other Pacific Islander		Hispanic or Latino	Persons with Disabilities
Families with Children	Other ethnic group, religion, etc. (specify)		

4a. Residency Preference

Is the owner requesting a residency preference? If yes, complete questions 1 through 5.

If no, proceed to Block 4b.

(1) Type

(2) Is the residency preference area:

The same as the AFHMP housing/expanded housing market area as identified in Block 1e?

The same as the residency preference area of the local PHA in whose jurisdiction the project is located?

(3) What is the geographic area for the residency preference?

(4) What is the reason for having a residency preference?

(5) How do you plan to periodically evaluate your residency preference to ensure that it is in accordance with the non-discrimination and equal opportunity requirements in 24 CFR 5.105(a)?

Complete and submit Worksheet 2 when requesting a residency preference (see also 24 CFR 5.655(c)(1)) for residency preference requirements. The requirements in 24 CFR 5.655(c)(1) will be used by HUD as guidelines for evaluating residency preferences consistent with the applicable HUD program requirements. See also HUD Occupancy Handbook (4350.3) Chapter 4, Section 4.6 for additional guidance on preferences.

4b. Proposed Marketing Activities: Community Contacts

Complete and submit Worksheet 3 to describe your use of community contacts to market the project to those least likely to apply.

4c. Proposed Marketing Activities: Methods of Advertising

Complete and submit Worksheet 4 to describe your proposed methods of advertising that will be used to market to those least likely to apply. Attach copies of advertisements, radio and television scripts, Internet advertisements, websites, and brochures, etc.

5a. Fair Housing Poster

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

Rental Office	Real Estate Office	Model Unit	Other (specify)
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5b. Affirmative Fair Housing Marketing Plan

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

Rental Office	Real Estate Office	Model Unit	Other (specify)
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5c. Project Site Sign

Project Site Signs, if any, must display in a conspicuous position the HUD approved Equal Housing Opportunity logo, slogan, or statement (24 CFR 200.620(f)). Check below all locations where the Project Site Sign will be displayed. Please submit photos of Project signs.

Rental Office	Real Estate Office	Model Unit	Entrance to Project	Other (specify)
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The size of the Project Site Sign will be x

The Equal Housing Opportunity logo or slogan or statement will be x

6. Evaluation of Marketing Activities

Explain the evaluation process you will use to determine whether your marketing activities have been successful in attracting individuals least likely to apply, how often you will make this determination, and how you will make decisions about future marketing based on the evaluation process.

7a. Marketing Staff

What staff positions are/will be responsible for affirmative marketing?

7b. Staff Training and Assessment: AFHMP

- (1) Has staff been trained on the AFHMP?
- (2) Has staff been instructed in writing and orally on non-discrimination and fair housing policies as required by 24 CFR 200.620(c)?
- (3) If yes, who provides instruction on the AFHMP and Fair Housing Act, and how frequently?

- (4) Do you periodically assess staff skills on the use of the AFHMP and the application of the Fair Housing Act?
- (5) If yes, how and how often?

7c. Tenant Selection Training/Staff

- (1) Has staff been trained on tenant selection in accordance with the project's occupancy policy, including any residency preferences?

- (2) What staff positions are/will be responsible for tenant selection?

7d. Staff Instruction/Training:

Describe AFHM/Fair Housing Act staff training, already provided or to be provided, to whom it was/will be provided, content of training, and the dates of past and anticipated training. Please include copies of any AFHM/Fair Housing staff training materials.

8. Additional Considerations Is there anything else you would like to tell us about your AFHMP to help ensure that your program is marketed to those least likely to apply for housing in your project? Please attach additional sheets, as needed.

9. Review and Update

By signing this form, the applicant/respondent agrees to implement its AFHMP, and to review and update its AFHMP in accordance with the instructions to item 9 of this form in order to ensure continued compliance with HUD's Affirmative Fair Housing Marketing Regulations (see 24 CFR Part 200, Subpart M). I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (See 18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802).

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



07/13/2021

Name (type or print)

Title & Name of Company

For HUD-Office of Housing Use Only

Reviewing Official:

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

Approval

Disapproval

Signature & Date (mm/dd/yyyy)

Signature & Date (mm/dd/yyyy)

Name
(type
or
print)

Title

Name
(type
or
print)

Title

Public reporting burden for this collection of information is estimated to average six (6) hours per initial response, and four (4) hours for updated plans, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid Office of Management and Budget (OMB) control number.

Purpose of Form: All applicants for participation in FHA subsidized and unsubsidized multifamily housing programs with five or more units (see 24 CFR 200.615) must complete this Affirmative Fair Housing Marketing Plan (AFHMP) form as specified in 24 CFR 200.625, and in accordance with the requirements in 24 CFR 200.620. The purpose of this AFHMP is to help applicants offer equal housing opportunities regardless of race, color, national origin, religion, sex, familial status, or disability. The AFHMP helps owners/agents (respondents) effectively market the availability of housing opportunities to individuals of both minority and non-minority groups that are least likely to apply for occupancy. Affirmative fair housing marketing and planning should be part of all new construction, substantial rehabilitation, and existing project marketing and advertising activities.

An AFHM program, as specified in this Plan, shall be in effect for each multifamily project throughout the life of the mortgage (24 CFR 200.620(a)). The AFHMP, once approved by HUD, must be made available for public inspection at the sales or rental offices of the respondent (24 CFR 200.625) and may not be revised without HUD approval. This form contains no questions of a confidential nature.

Applicability: The form and worksheets must be completed and submitted by all FHA subsidized and unsubsidized multifamily housing program applicants.

INSTRUCTIONS:

Send completed form and worksheets to your local HUD Office, Attention: Director, Office of Housing

Part 1: Applicant/Respondent and Project

Identification. Blocks 1a, 1b, 1c, 1g, 1h, and 1i are self-explanatory.

Block 1d- Respondents may obtain the Census tract number from the U.S. Census Bureau (<http://factfinder2.census.gov/main.html>) when completing Worksheet One.

Block 1e- Respondents should identify both the housing market area and the expanded housing market area for their multifamily housing projects. Use abbreviations if necessary. A **housing market area** is the area from which a multifamily housing project owner/agent may reasonably expect to draw a substantial number of its tenants. This could be a county or Metropolitan Division. The U.S. Census Bureau provides a range of levels to draw from.

An **expanded housing market area** is a larger geographic area, such as a Metropolitan Division or a Metropolitan Statistical Area, which may provide additional demographic diversity in terms of race, color, national origin, religion, sex, familial status, or disability.

Block 1f- The applicant should complete this block only if a Managing Agent (the agent cannot be the applicant) is implementing the AFHMP.

Part 2: Type of AFHMP

Block 2a- Respondents should indicate the status of the AFHMP, i.e., initial or updated, as well as the date of the first approved AFHMP. Respondents should also provide the reason (s) for the current update, whether the update is based on the five-year review or due to significant changes in project or local demographics (See instructions for Part 9).

Block 2b- Respondents should identify all groups HUD has approved for occupancy in the subject project, in accordance with the contract, grant, etc.

Block 2c- Respondents should specify the date the project was/will be first occupied.

Block 2d- For new construction and substantial rehabilitation projects, advertising must begin at least 90 days prior to initial occupancy. In the case of existing projects, respondents should indicate whether the advertising will be used to fill existing vacancies, to place individuals on the project's waiting list, or to re-open a closed waiting list. Please indicate how many people are on the waiting list when advertising begins.

Part 3 Demographics and Marketing Area.

"Least likely to apply" means that there is an identifiable presence of a specific demographic group in the housing market area, but members of that group are not likely to apply for the housing without targeted outreach, including marketing materials in other languages for limited English proficient individuals, and alternative formats for persons with disabilities. Reasons for not applying may include, but are not limited to, insufficient information about housing opportunities, language barriers, or transportation impediments.

Block 3a - Using Worksheet 1, the respondent should indicate the demographic composition of the project's residents, current project applicant data, census tract, housing market area, and expanded housing market area. The applicable housing market area and expanded housing market area should be indicated in Block 1e. Compare groups within rows/across columns on Worksheet 1 to identify any under-represented group(s) relative to the surrounding housing market area and expanded housing market area, i.e., those group(s) "least likely to apply" for the housing without targeted outreach and marketing. If there is a particular group or subgroup with members of a protected class that has an identifiable presence in the housing market area, but is not included in Worksheet 1, please specify under "Other."

Respondents should use the most current demographic data from the U.S. Census or another official source such as a local government planning office. Please indicate the source of your data in Part 8 of this form.

Block 3b - Using the information from the completed Worksheet 1, respondents should identify the demographic group(s) least likely to apply for the housing without special outreach efforts by checking all that apply.

Part 4 - Marketing Program and Residency Preference (if any).

Block 4a - A residency preference is a preference for admission of persons who reside or work in a specified geographic area (see 24 CFR 5.655(c)(1)(ii)). Respondents should indicate whether a residency preference is being utilized, and if so, respondents should specify if it is new, revised, or continuing. If a respondent wishes to utilize a residency preference, it must state the preference area (and provide a map delineating the precise area) and state the reason for having such a preference. The respondent must ensure that the preference is in accordance with the non-discrimination and equal opportunity requirements in 24 CFR 5.105(a) (see 24 CFR 5.655(c)(1)).

Respondents should use Worksheet 2 to show how the percentage of the eligible population living or working in the residency preference area compares to that of residents of the project, project applicant data, census tract, housing market area, and expanded housing market area. The percentages would be the same as shown on completed Worksheet 1.

Block 4b - Using Worksheet 3, respondents should describe their use of community contacts to help market the project to those least likely to apply. This table should include the name of a contact person, his/her address, telephone number, previous experience working with the target population(s), the approximate date contact was/will be initiated, and the specific role the community contact will play in assisting with affirmative fair housing marketing or outreach.

Block 4c - Using Worksheet 4, respondents should describe their proposed method(s) of advertising to market to those least likely to apply. This table should identify each media option, the reason for choosing this media, and the language of the advertisement. Alternative format(s) that will be used to reach persons with disabilities, and logo(s) that will appear on the various materials (as well as their size) should be described.

Please attach a copy of the advertising or marketing material.

Part 5 – Availability of the Fair Housing Poster, AFHMP, and Project Site Sign.

Block 5a - The Fair Housing Poster must be prominently displayed in all offices in which sale or rental activity takes place (24 CFR 200.620(e)). Respondents should indicate all locations where the Fair Housing Poster will be displayed.

Block 5b -The AFHMP must be available for public inspection at the sales or rental office (24 CFR 200.625). Check all of the locations where the AFHMP will be available.

Block 5c -The Project Site Sign must display in a conspicuous position the HUD-approved Equal Housing Opportunity logo, slogan, or statement (24 CFR 200.620(f)). Respondents should indicate where the Project Site Sign will be displayed, as well as the size of the Sign and the size of the logo, slogan, or statement. **Please submit photographs of project site signs.**

Part 6 - Evaluation of Marketing Activities.

Respondents should explain the evaluation process to be used to determine if they have been successful in attracting those individuals identified as least likely to apply. Respondents should also explain how they will make decisions about future marketing activities based on the evaluations.

Part 7- Marketing Staff and Training.

Block 7a - Respondents should identify staff positions that are/will be responsible for affirmative marketing.

Block 7b - Respondents should indicate whether staff has been trained on the AFHMP and Fair Housing Act.

Please indicate who provides the training and how frequently. In addition, respondents should specify whether they periodically assess staff members' skills in using the AFHMP and in applying the Fair Housing Act. They should state how often they assess employee skills and how they conduct the assessment.

Block 7c - Respondents should indicate whether staff has been trained on tenant selection in accordance with the project's occupancy policy, including residency preferences (if any). Respondents should also identify those staff positions that are/will be responsible for tenant selection.

Block 7d - Respondents should include copies of any written materials related to staff training, and identify the dates of past and anticipated training.

Part 8 - Additional Considerations.

Respondents should describe their efforts not previously mentioned that were/are planned to attract those individuals least likely to apply for the subject housing.

Part 9 - Review and Update.

By signing the respondent assumes responsibility for implementing the AFHMP. Respondents must review their AFHMP every five years or when the local Community Development jurisdiction's Consolidated Plan is updated, or when there are significant changes in the demographics of the project or the local housing market area. When reviewing the plan, the respondent should consider the current demographics of the housing market area to determine if there have been demographic changes in the population in terms of race, color, national origin, religion, sex, familial status, or disability. The respondent will then determine if the population least likely to apply for the housing is still the population identified in the AFHMP, whether the advertising and publicity cited in the current AFHMP are still appropriate, or whether advertising sources should be modified or expanded. Even if the demographics of the housing market area have not changed, the respondent should determine if the outreach currently being performed is reaching those it is intended to reach as measured by project occupancy and applicant data. If not, the AFHMP should be updated. The revised AFHMP must be submitted to HUD for approval. HUD may review whether the affirmative marketing is actually being performed in accordance with the AFHMP. If based on their review, respondents determine the AFHMP does not need to be revised, they should maintain a file documenting what was reviewed, what was found as a result of the review, and why no changes were required. HUD may review this documentation.

Notification of Intent to Begin Marketing.

No later than 90 days prior to the initiation of rental marketing activities, the respondent must submit notification of intent to begin marketing. The notification is required by the AFHMP Compliance Regulations (24 CFR 108.15). The Notification is submitted to the Office of Housing in the HUD Office servicing the locality in which the proposed housing will be located. Upon receipt of the Notification of Intent to Begin Marketing from the applicant, the monitoring office will review any previously approved plan and may schedule a pre-occupancy conference. Such conference will be held prior to initiation of sales/rental marketing activities. At this conference, the previously approved AFHMP will be reviewed with the applicant to determine if the plan, and/or its proposed implementation, requires modification prior to initiation of marketing in order to achieve the objectives of the AFHM regulation and the plan.

OMB approval of the AFHMP includes approval of this notification procedure as part of the AFHMP. The burden hours for such notification are included in the total designated for this AFHMP form.

Worksheet 1: Determining Demographic Groups Least Likely to Apply for Housing Opportunities
(See AFHMP, Block 3b)

In the respective columns below, indicate the percentage of demographic groups among the project's residents, current project applicant data, census tract, housing market area, and expanded housing market area (See instructions to Block 1e). If you are a new construction or substantial rehabilitation project and do not have residents or project applicant data, only report information for census tract, housing market area, and expanded market area. The purpose of this information is to identify any under-representation of certain demographic groups in terms of race, color, national origin, religion, sex, familial status, or disability. If there is significant under-representation of any demographic group among project residents or current applicants in relation to the housing/expanded housing market area, then targeted outreach and marketing should be directed towards these individuals least likely to apply. Please indicate under-represented groups in Block 3b of the AFHMP. **Please attach maps showing both the housing market area and the expanded housing market area.**

Demographic Characteristics	Project's Residents	Project's Applicant Data	Census Tract	Housing Market Area	Expanded Housing Market Area
% White					
% Black or African American					
% Hispanic or Latino					
% Asian					
% American Indian or Alaskan Native					
% Native Hawaiian or Pacific Islander					
%Persons with Disabilities					
% Families with Children under the age of 18					
Other (specify)					

Worksheet 2: Establishing a Residency Preference Area (See AFHMP, Block 4a)

Complete this Worksheet if you wish to continue, revise, or add a residency preference, which is a preference for admission of persons who reside or work in a specified geographic area (see 24 CFR 5.655(c)(1)(ii)). If a residency preference is utilized, the preference must be in accordance with the non-discrimination and equal opportunity requirements contained in 24 CFR 5.105(a). This Worksheet will help show how the percentage of the population in the residency preference area compares to the demographics of the project's residents, applicant data, census tract, housing market area, and expanded housing market area. **Please attach a map clearly delineating the residency preference geographical area.**

Demographic Characteristics	Project's Residents (as determined in Worksheet 1)	Project's Applicant Data (as determined in Worksheet 1)	Census Tract (as determined in Worksheet 1)	Housing Market Area (as determined in Worksheet 1)	Expanded Housing Market Area (as determined in Worksheet 1)	Residency Preference Area (if applicable)
% White						
% Black or African American						
% Hispanic or Latino						
% Asian						
% American Indian or Alaskan Native						
% Native Hawaiian or Pacific Islander						
% Persons with Disabilities						
% Families with Children under the age of 18						
Other (specify)						

Worksheet 3: Proposed Marketing Activities –Community Contacts (See AFHMP, Block 4b)

For each targeted marketing population designated as least likely to apply in Block 3b, identify at least one community contact organization you will use to facilitate outreach to the particular population group. This could be a social service agency, religious body, advocacy group, community center, etc. State the names of contact persons, their addresses, their telephone numbers, their previous experience working with the target population, the approximate date contact was/will be initiated, and the specific role they will play in assisting with the affirmative fair housing marketing. Please attach additional pages if necessary.

Targeted Population(s)	Community Contact(s), including required information noted above.
Veterans, Black or African American, Hispanic or Latino, Asian, Persons with disabilities, prison reentry	JustDane, 2115 S. Park St., Madison, WI 53713. Linda Ketcham (608-256-0906). JustDane promotes interfaith cooperation and collaboration, convenes, and links people of faith communities to engage in social action and advocates for low income people. JustDane programs include Circles of Support, The Journey Home, Reentry Case Management, and Peer Support. Initial contact will be made in 12/2022.
Asian	Asian American Pacific Islander (AAPI) Coalition of Wisconsin. As this is a new organization that MSP Property Management will be reaching out to, we will first contact the organization through their email address listed as: wiaapi@gmail.com to establish a contact and phone number. The AAPI Coalition of Wisconsin unites AAPI leaders throughout the state, serving as a conduit for AAPO communities and local municipal/state resources to come together to stand against hate and racism. Initial contact will be made 12/2022.

Worksheet 4: Proposed Marketing Activities – Methods of Advertising (See AFHMP, Block 4c)

Complete the following table by identifying your targeted marketing population(s), as indicated in Block 3b, as well as the methods of advertising that will be used to market to that population. For each targeted population, state the means of advertising that you will use as applicable to that group and the reason for choosing this media. In each block, in addition to specifying the media that will be used (e.g., name of newspaper, television station, website, location of bulletin board, etc.) state any language(s) in which the material will be provided, identify any alternative format(s) to be used (e.g. Braille, large print, etc.), and specify the logo(s) (as well as size) that will appear on the various materials. Attach additional pages, if necessary, for further explanation. Please attach a copy of the advertising or marketing material.

Targeted Population(s)→ Methods of Advertising ↓	Targeted Population:	Targeted Population:	Targeted Population:
Newspaper(s)			
Radio Station(s)			
TV Station(s)			
Electronic Media			
Bulletin Boards			
Brochures, Notices, Flyers			
Other (specify)			

1b.iii – WHEDA Appendix M Tax Credit Design Requirements

APPENDIX M

WHEDA Housing Tax Credit Design Requirements

A. INITIAL SUBMITTAL REQUIREMENTS:

Submit a copy of this document signed by the development Architect and Applicant/Owner, certifying that all Development Requirements outlined in this Appendix M will be incorporated in the completed housing development.

Unless noted otherwise, references to section numbers are from ICC/ANSI A117.1–2017 edition.

“Building Code” refers to the 2015 edition of the International Building Code with Wisconsin’s amendments as found under SPS Chapters 361-366. Review SPS 361.05.

“ADAAG” refers to the ADA Accessibility Guidelines for Buildings and Facilities.

B. DEVELOPMENT REQUIREMENTS

I. REQUIRED ITEMS.

KEY: NC= New Construction and Adaptive Reuse of non-housing structure
R= Rehab of Existing Housing

Required For	ITEM
NC, R	Showerheads & faucets being replaced or initially installed: a) Low flow showerheads of 1.75 gpm, or less, must be installed on every showerhead within each dwelling unit in the development, and b) Faucet aerators with a rating of 1.5 gpm or less must be installed on every faucet within each dwelling unit in the development.
NC, R	Common Area Lighting being replaced or initially installed: Appropriate high efficiency lighting, including High Performance T-8 systems, T-5 systems, Compact Fluorescent Lamps (CFLs) or Light-Emitting Diode Lamps (LED), shall be installed in all interior common areas, including decorative fixtures.
NC, R	Appliances being replaced or initially installed: Must meet current ENERGY STAR® standard(s) if an ENERGY STAR rated appliance is available.
NC, R	Window or Central Air Conditioning Units being replaced or initially installed: Must meet current ENERGY STAR® standard(s).
NC, R	Setback Thermostats: All family housing units are required to incorporate setback thermostats.
NC, R	Lever-style handles on all interior doors being replaced or initially installed
NC, R	Bath/kitchen faucets being replaced or initially installed must be single-lever type.
NC, R	Mini blinds or similar window covering

NC, R	Common Laundry Facility. Alternatively, all units shall have at no charge: in-unit washer/dryer hook ups, or in-unit washer/dryer
NC, R	Hard-wired high speed internet service in each unit. For acquisition/rehab properties, wireless internet will be allowed
NC	Grab Bars – <i>In All Bathrooms of Elderly Buildings Only</i> . In each bathroom, install nylon grab bars meeting the requirements of Section 609 (matching or contrasting the color of the tub/shower) in the following locations minimum: a) In all showers, install one grab bar on the control end wall and one grab bar on the back wall. Grab bars shall be 6" maximum from adjacent walls. b) In all bathtubs, install one grab bar 24" minimum on the back wall and one grab bar 24" minimum on the control end wall per Fig. 607.4.2. Both grab bars to be installed horizontally at the same height above the floor. c) In all toilets, provide one horizontal side wall grab bar 42" minimum per Section 604.5.1 and provide on horizontal rear wall grab bar 24" – 36" minimum per Section 604.5.2.
NC	Bathtub/shower compartment permanently lined with non-skid surface or pattern covering 75% of floor.
NC	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 1104.11.1. (if grab bars not already installed in the unit)
NC	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.
NC	At least one toilet in each dwelling unit shall have clearances that meet the requirements of Section 1104.11.3.1.2.1, 1104.11.3.1.2.2, or 1104.11.3.1.2.3.
NC	Low-profile thresholds - All changes in level within common areas and in dwelling units to be ¼" maximum vertical or ½" maximum beveled at 1:2 per Sections 303.2 and 303.3.
NC	100% visitable units. (Only 20% visitable units required for single family or duplex or townhome style construction). Projects should be designed and graded to allow an accessible route from parking or street level to all dwelling units. Accessible routes shall meet all the requirements of Section 402 including Section 404 for accessible doors. The living room, kitchen and minimum of one bathroom (with a minimum of a toilet and sink) must be on the accessible route from the unit entry. Bathroom shall meet the requirements of Sections 1104.11 minimum.
NC	Lighting controls, electrical switches, and receptacle outlets, environmental controls, and user controls for security or intercom systems shall comply with Section 1104.9 minimum.
NC	Electrical outlets and cable/data outputs set to a minimum height of 18" above the floor.

NC	Built-in Dishwasher and disposal-all 2 BR or larger units. Family developments only.
NC	Provide at least one bedroom on the first floor of multi-story units (minimum 4% of the development's multi-story units). Not required if the development includes other unit styles which achieve bedroom accessibility (minimum 4% of the total number of units).
NC	Individual storage lockers for each unit at no charge to resident. Must be inside storage, minimum 3' X 6' X 8'. Single family, duplex, or townhome styles are exempt.

II. BUILDING ENVELOPE REQUIREMENTS

New Construction

- Building envelope worksheet calculations: Must exceed the State of Wisconsin Department of Safety & Professional Services Building Envelope Requirements by, at minimum 2%, based upon (2015 IBC code) REScheck™ software calculations **AND** heating loads must be calculated at the maximum infiltration rate allowable in REScheck™ (0.5 air changes/hour).
- REScheck™ calculations must demonstrate compliance with State of Wisconsin building codes. REScheck™ reports are required for each building.
- These calculations must be submitted to WHEDA with the final Housing Tax Credit application for the development

Rehab Existing Housing and Adaptive Reuse Developments

- Rehab of Existing Housing and Adaptive Reuse developments must make efforts to exceed the State of Wisconsin Department of Safety & Professional Services Building Envelope Efficiency by 2% (2015 IBC code). REScheck™ reports are required for each building.
- If 2% cannot be achieved, Applicant must (at final application) provide a letter that describes best efforts and describes greater than normal efficiencies of ancillary items such as: window replacement "U" value, insulation "R" value, heating systems and lighting systems used in the development.
- If 2% cannot be achieved, Applicant must use building renovation components which meet the ENERGY STAR™ or equivalent building standards.
- These calculations must be submitted to WHEDA with the final Housing Tax Credit application for the development

C. FINAL SUBMITTAL REQUIREMENTS - All Developments

Development Owner and General Contractor/Architect certifications must be submitted to WHEDA with the final Housing Tax Credit application reflecting that 1) each building meets or exceeds requirements outlined in the Appendix M governing the year of the original application (use box below), and 2) each building meets or exceeds WHEDA's Building Envelope Requirements. See: www.wheda.com for Owner and General Contractor/Architect Certification forms.

➔ Download REScheck™ or COMcheck™ software from U.S. Department of Energy website: <http://www.energycodes.gov/rescheck>

III. MINIMUM UNIT SIZES REQUIREMENTS

New Construction and Adaptive Reuse properties

- The average unit size for new construction and adaptive reuse units must meet the minimum square footage identified below:
 - Efficiency: 400 SF
 - 1-BR 575 SF
 - 2-BR 825 SF
 - 3-BR 1100 SF
 - 4+ BR 1200 SF

Note: Projects in the Supportive Housing Set-Aside are not required to meet the minimum sizes noted above.

Rehab of Existing Residential Developments

- Rehab of existing residential units will not be subject to the minimum unit size requirement.

IV. Sustainable Design

- As a **minimum threshold requirement**, properties are required to be built to the Wisconsin Green Built Home Standard (score of 150 or more) or the Enterprise Green Communities Criteria.
 - Properties that are awarded 15 points for Sustainable Design in WHEDA Scoring Category #2 – Energy Efficiency and Sustainability are required to be built to a Wisconsin Green Built Home score of 200 or more or Enterprise Green Communities Certification Plus

WHEDA will require program certification from Wisconsin Green Built Homes or Enterprise Green Communities prior to release of the 8609.

Development Owner & Architect must sign and submit the following

Complete This Section and Submit With Initial Application <u>X</u>	
Complete This Section and Submit With Final Application _____	
Project Name: <u>The Heights Apartments</u>	
Project Type: (check one)	New Construction or Adaptive Reuse <u>X</u>
	Rehab Existing Housing _____
I/we certify the components listed above will be/are included in the subject project by signing below.	
Architect:	Date: <u>11/25/20</u>
Applicant/Owner:	Date: <u>11/20/2020</u>

Section 1c – Budget Workbook

APPLICANT & PROJECT NAME:

MSP Real Estate, Inc - The Heights Apartments

1. CAPITAL BUDGET

Enter ALL proposed project funding sources.

FUNDING SOURCES

Source	Amount	Non-Amortizing (Y/N)	Rate (%)	Term (Years)	Amort. Period (Years)	Annual Debt Service
Permanent Loan-Lender Name:						
First Mortgage	\$ 6,000,000	N	5.35%	15	35	\$379,603
Subordinate Loan-Lender Name:						
Subordinate Loan-Lender Name:						
Tax Exempt Loan-Bond Issuer:						
AHP Loan (List FHLB):						
FHLB Chicago	\$ 900,000	Y	0.00%	30	30	\$0
Total City Request (AHF, TIF, federal funds, etc.)						
City of Madison AHF - Deferred	\$ 1,178,000	Y	0.00%	30	0	\$0
Other-Specify Lender/Grantor:						
City of Madison AHF - Cash Flow	\$ 1,178,000	N	2.75%	16	30	\$57,709
Other-Specify Lender/Grantor:						
Dane County AHDF	\$ 1,440,000	Y	2.00%	30	0	\$28,800
Other-Specify Lender/Grantor:						
Tax Credit Equity	\$ 12,092,662					
Historic Tax Credit Equity						
Deferred Developer Fees	\$ 808,374					
Owner Investment						
Other-Specify:						
Total Sources	\$ 23,597,036					

Do you plan on submitting an application for TIF?

No

Construction Financing			
Source of Funds	Amount	Rate	Term (Months)
Construction Loan-Lender Name:			
Construction Loan	\$ 17,000,000	3.50%	24
Bridge Loan-Lender Name:			
Tax Credit Equity:			
Tax Credit Investor	\$ 2,418,532		
Total	\$ 19,418,532		

Estimated pricing on sale of Federal Tax Credits:

\$ 0.89

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

Remarks Concerning Project Funding Sources:

APPLICANT:

MSP Real Estate, Inc.

2. PROJECT EXPENSES

Enter the proposed project expenses

Acquisition Costs

Amount

Land	\$1,900,000
Existing Buildings/Improvements	\$0
Other (List)	
	\$0

Construction:

Construction/Rehab Costs	\$15,221,180
Construction Profit	\$800,473
Construction Overhead	\$140,000
General Requirements	\$600,000
Construction Supervision	\$250,000
FF&E/Personal Property	\$70,000
Demolition	\$85,000
Site Work	\$0
Landscaping	\$0
Letter of Credit/P&P Bond	\$5,000
Construction Contingency	\$856,833
Other (List)	
	\$0

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

Total Cost:

EV Ready, Shall Enhance-
ments, & Other Beyond
Code Requirements

\$200k - \$300k

Architectural & Engineering

Architect - Design	\$233,050
Architect - Supervision	\$19,500
Engineering	\$24,000
Other (List)	
	\$0

Interim/Construction Costs

Builder's Risk/Property Insurance	\$85,000
Construction Loan Interest	\$450,000
Construction Loan Origination Fee	\$66,000
Real Estate Taxes	\$150,000
Park Impact Fees	\$65,000
Other Impact Fees	\$0
Other (List)	
	\$0

Financing Fees

Cost of Bond Issuance	\$0
Permanent Loan Origination Fee	\$0
Credit Enhancement	\$0
Other Permanent Loan Fees	\$35,000

Soft Costs

Appraisal	\$8,000
Market Study	\$7,000

Environmental Reports	\$9,500
Survey	\$6,500
Permits	\$30,000
Lease-Up Period Marketing	\$120,000
Tax Credit Fees - Application	\$2,000
Tax Credit Fees - Compliance	\$135,900
Tax Credit Fees - Allocation	\$600
Accounting/Cost Certification	\$23,000
Title Insurance and Recording	\$20,000
Relocation	\$0
FF&E	\$0
Capital Needs Assessment (if rehab)	\$0
Legal	\$115,000
Other (List)	
Other Soft Costs	\$20,000
Fees:	
Bridge Loan Fees	\$0
Organizational Fees	\$2,000
Syndication Fees	\$0
Total Development Fee	\$1,659,000
Developer Overhead	\$0
Other Consultant Fees	\$0
Other (List)	
Tax Opinion	\$7,500
Reserves Funded from Capital:	
Lease-Up Reserve	\$50,000
Operating Reserve	\$325,000
Replacement Reserve	\$0
Capital Needs Reserve	\$0
Debt Service Reserve	\$0
Escrows	\$0
Other: (List)	
	\$0
TOTAL COSTS:	\$23,597,036

APPLICANT: **MSP Real Estate, Inc.**

3. PROJECT PROFORMA

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

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16
Gross Income	1,028,328	1,048,895	1,069,872	1,091,270	1,113,095	1,135,357	1,158,064	1,181,226	1,204,850	1,228,947	1,253,526	1,278,597	1,304,169	1,330,252	1,356,857	1,383,994
Less Vacancy/Bad Debt	71,983	73,423	74,891	76,389	77,917	79,475	81,065	82,686	84,340	86,026	87,747	89,502	91,292	93,118	94,980	96,880
Income from Non-Residential Use*	76,642	78,175	79,738	81,333	82,960	84,619	86,311	88,038	89,798	91,594	93,426	95,295	97,201	99,145	101,127	103,150
Total Revenue	1,032,987	1,053,647	1,074,720	1,096,214	1,118,138	1,140,501	1,163,311	1,186,577	1,210,309	1,234,515	1,259,205	1,284,390	1,310,077	1,336,279	1,363,004	1,390,265
Expenses:																
Office Expenses and Phone	5,300	5,459	5,623	5,791	5,965	6,144	6,328	6,518	6,714	6,915	7,123	7,336	7,557	7,783	8,017	8,257
Real Estate Taxes	158,000	162,740	167,622	172,651	177,830	183,165	188,660	194,320	200,150	206,154	212,339	218,709	225,270	232,028	238,989	246,159
Advertising, Accounting, Legal Fees	13,300	13,699	14,110	14,533	14,969	15,418	15,881	16,357	16,848	17,353	17,874	18,410	18,963	19,531	20,117	20,721
Payroll, Payroll Taxes and Benefits	96,000	98,880	101,846	104,902	108,049	111,290	114,629	118,068	121,610	125,258	129,016	132,886	136,873	140,979	145,209	149,565
Property Insurance	21,100	21,733	22,385	23,057	23,748	24,461	25,195	25,950	26,729	27,531	28,357	29,207	30,084	30,986	31,916	32,873
Mtc, Repairs and Mtc Contracts	68,400	70,452	72,566	74,743	76,985	79,294	81,673	84,123	86,647	89,246	91,924	94,682	97,522	100,448	103,461	106,565
Utilities (gas/electric/fuel/water/sewer)	68,400	70,452	72,566	74,743	76,985	79,294	81,673	84,123	86,647	89,246	91,924	94,682	97,522	100,448	103,461	106,565
Property Mgmt	67,144	69,158	71,233	73,370	75,571	77,838	80,174	82,579	85,056	87,608	90,236	92,943	95,732	98,603	101,562	104,608
Operating Reserve Pmt		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replacement Reserve Pmt	23,700	24,411	25,143	25,898	26,675	27,475	28,299	29,148	30,022	30,923	31,851	32,806	33,791	34,804	35,848	36,924
Support Services		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other (List)																
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Operating Expenses	521,344	536,984	553,094	569,687	586,777	604,381	622,512	641,188	660,423	680,236	700,643	721,662	743,312	765,611	788,580	812,237
Net Operating Income	511,643	516,662	521,626	526,527	531,361	536,120	540,799	545,390	549,886	554,279	558,562	562,727	566,765	570,667	574,425	578,027
Debt Service:																
First Mortgage	379,603	379,603	379,603	379,603	379,603	379,603	379,603	379,603	379,603	379,603	379,603	379,603	379,603	379,603	379,603	379,603
Second Mortgage	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other (List)																
Asset Management Fee	3,000	3,090	3,183	3,278	3,377	3,478	3,582	3,690	3,800	3,914	4,032	4,153	4,277	4,406	4,538	4,674
Dane County AHDF	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800
Total Debt Service	411,403	411,493	411,586	411,681	411,780	411,881	411,985	412,093	412,203	412,317	412,435	412,556	412,680	412,809	412,941	413,077
Total Annual Cash Expenses	932,747	948,478	964,680	981,368	998,557	1,016,262	1,034,497	1,053,280	1,072,627	1,092,553	1,113,078	1,134,218	1,155,993	1,178,420	1,201,521	1,225,314
Total Net Operating Income	100,240	105,169	110,040	114,846	119,581	124,239	128,814	133,297	137,682	141,962	146,128	150,171	154,085	157,859	161,484	164,950
Debt Service Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Developer Fee	42,531	47,460	52,331	57,137	61,872	66,530	71,105	75,588	79,973	84,253	88,419	91,175	93,175	94,448	94,980	95,721
Cash Flow	57,709	57,709	57,709	57,709	57,709	57,709	57,709	57,709	57,709	57,709	57,709	57,709	57,709	57,709	57,709	57,709
AHF City Interest Loan	57,709	57,709	57,709	57,709	57,709	57,709	57,709	57,709	57,709	57,709	57,709	57,709	57,709	57,709	57,709	57,709

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

DCR Hard Debt	1.35	1.36	1.37	1.39	1.40	1.41	1.42	1.44	1.45	1.46	1.47	1.48	1.49	1.50	1.51	1.52
DCR Total Debt	1.09	1.10	1.11	1.12	1.13	1.14	1.15	1.16	1.17	1.18	1.19	1.20	1.20	1.21	1.22	1.23

Assumptions

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

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

Underground Parking: \$85/month (77 parking stalls) at 93% occupancy
+
Commercial Space: \$3,600 Year 1

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	1,411,674	1,439,907	1,468,706	1,498,080	1,528,041	1,558,602	1,589,774	1,621,570	1,654,001	1,687,081	1,720,823	1,755,239	1,790,344	1,826,151
Less Vacancy/Bad Debt	98,817	100,794	102,809	104,866	106,963	109,102	111,284	113,510	115,780	118,096	120,458	122,867	125,324	127,831
Income from Non-Residential Use*	105,213	107,317	109,464	111,653	113,886	116,164	118,487	120,857	123,274	125,739	128,254	130,819	133,436	136,104
Total Revenue	1,418,070	1,446,431	1,475,360	1,504,867	1,534,964	1,565,664	1,596,977	1,628,917	1,661,495	1,694,725	1,728,619	1,763,192	1,798,455	1,834,425
Expenses:														
Office Expenses and Phone	8,505	8,760	9,023	9,294	9,572	9,860	10,155	10,460	10,774	11,097	11,430	11,773	12,126	12,490
Real Estate Taxes	253,544	261,150	268,984	277,054	285,366	293,927	302,744	311,827	321,181	330,817	340,741	350,964	361,493	372,337
Advertising, Accounting, Legal Fees	21,343	21,983	22,642	23,322	24,021	24,742	25,484	26,249	27,036	27,847	28,683	29,543	30,429	31,342
Payroll, Payroll Taxes and Benefits	154,052	158,673	163,434	168,337	173,387	178,588	183,946	189,464	195,148	201,003	207,033	213,244	219,641	226,230
Property Insurance	33,859	34,875	35,921	36,999	38,109	39,252	40,430	41,643	42,892	44,179	45,504	46,869	48,275	49,724
Mtc, Repairs and Mtc Contracts	109,762	113,055	116,446	119,940	123,538	127,244	131,061	134,993	139,043	143,214	147,511	151,936	156,494	161,189
Utilities (gas/electric/fuel/water/sewer)	109,762	113,055	116,446	119,940	123,538	127,244	131,061	134,993	139,043	143,214	147,511	151,936	156,494	161,189
Property Mgmt	107,747	110,979	114,308	117,738	121,270	124,908	128,655	132,515	136,490	140,585	144,803	149,147	153,621	158,230
Operating Reserve Pmt	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replacement Reserve Pmt	38,032	39,172	40,348	41,558	42,805	44,089	45,412	46,774	48,177	49,623	51,111	52,645	54,224	55,851
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
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Expenses	836,604	861,702	887,554	914,180	941,606	969,854	998,949	1,028,918	1,059,785	1,091,579	1,124,326	1,158,056	1,192,798	1,228,582
Net Operating Income	581,466	584,729	587,806	590,687	593,359	595,810	598,028	599,999	601,710	603,146	604,293	605,136	605,658	605,843
Debt Service:														
First Mortgage	379,603	379,603	379,603	379,603	379,603	379,603	379,603	379,603	379,603	379,603	379,603	379,603	379,603	379,603
Second Mortgage	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other (List)														
Asset Management Fee	4,814	4,959	5,107	5,261	5,418	5,581	5,748	5,921	6,098	6,281	6,470	6,664	6,864	7,070
Dane County AHDF	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800	28,800
Total Debt Service	413,217	413,362	413,510	413,664	413,821	413,984	414,151	414,324	414,502	414,684	414,873	415,067	415,267	415,473
Total Annual Cash Expenses	1,249,822	1,275,064	1,301,064	1,327,844	1,355,427	1,383,838	1,413,101	1,443,242	1,474,287	1,506,263	1,539,199	1,573,123	1,608,065	1,644,054
Total Net Operating Income	168,248	171,367	174,296	177,023	179,537	181,826	183,876	185,675	187,208	188,461	189,420	190,069	190,391	190,370
Debt Service Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Developer Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cash Flow	168,248	171,367	174,296	177,023	179,537	181,826	183,876	185,675	187,208	188,461	189,420	190,069	190,391	190,370
AHF City Interest Loan	57,709	57,709	57,709	57,709	57,709	57,709	57,709	57,709	57,709	57,709	57,709	57,709	57,709	57,709

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

DCR Hard Debt	1.53	1.54	1.55	1.56	1.56	1.57	1.58	1.58	1.59	1.59	1.59	1.59	1.60	1.60
DCR Total Debt	1.23	1.24	1.25	1.25	1.26	1.26	1.27	1.27	1.27	1.28	1.28	1.28	1.28	1.28

Assumptions

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

Section 2 – Development Team’s Experience & Capacity

2a.i Experience Obtaining & Utilizing Low Income Housing Tax Credits (LIHTC)

As our Tax Credit project lists demonstrate below, since 1991 MSP Real Estate has secured awards for tax credits for 28 total projects in the Midwest:

- 16 elderly projects that have provided 1,043 units of senior housing
- 10 family projects that have provided (or will provide) 635 units of family housing
- 2 combined elderly & family projects that will provide an additional 173 units of elderly housing and 73 units of family housing

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

TAX CREDIT Elderly (Section 42) APARTMENTS

<u>Project Names/ Locations</u>	<u>Units</u>	<u>Financing</u>	<u>Completion Date</u>
<i>The Oscar Senior Apartments, Madison</i>	55	Bank	Summer 2022
<i>River Parkway Apartments, Wauwatosa</i>	118	Bank	August 2021
<i>Normandy Square Apartments, Madison</i>	58	Bank	August 2019
<i>Middleton Senior Apartments, Middleton</i>	56	Bank	October 2012
<i>New Berlin Senior II, New Berlin</i>	34	Bank	December 2021
<i>Chippewa Senior Apartments II, Chippewa Falls</i>	24	HOME	October 2011
<i>West Allis Senior Apartments, West Allis</i>	122	WHEDA Bond	April 2009
<i>Monona Senior Apartments, Monona</i>	88	WHEDA Bond	September 2009
<i>Lincoln Village, Port Washington</i>	49	Bank	December 2002
<i>Homestead Village, Chippewa Falls</i>	48	Bank	February 2000
<i>Deer Creek Village, New Berlin</i>	145	Bank	October 2001
<i>Silver Creek Village, Glendale</i>	65	WHEDA Bond	August 2000
<i>Lexington Village, Greenfield</i>	120	Bank	December 1998
<i>Silver Lake Pointe, Moundsview MN</i>	83	Bank	September 1995
<i>Courtyard, West Allis</i>	63	Bank	September 1995
<i>Mill View, Kiel</i>	24	Rural Development	March 1995
<i>Station House, Antigo</i>	40	Rural Development	1991
<i>Village Plaza, Paddock Lake</i>	24	Rural Development	1991
Total Completed	1,043		
Total In Progress	173		
Total Units	1,216		

TAX CREDIT Family (Section 42) APARTMENTS

<u>Project Names/ Locations</u>	<u>Units</u>	<u>Financing</u>	<u>Completion Date</u>
<i>The Oscar Family Apartments, Madison</i>	55	Bank	Summer 2022
<i>Taylor Pointe Apartments, McFarland</i>	51	Bank	Spring 2022
<i>River Parkway Townhomes, Wauwatosa</i>	18	Bank	May 2021
<i>The Grove Apartments, Madison</i>	112	Bank	September 2020
<i>The Landing, Chippewa Falls</i>	40	Bank	June 2016
<i>Meadow Ridge Apartments, Waukesha</i>	70	Bank	October 2014
<i>New Berlin City Center, New Berlin</i>	102	Bank	December 2012
<i>Silverlake Commons, Moundsview MN</i>	50	MHFA	Feb. 1999 - Sold 2017
<i>Cityside Townhomes, Marshall MN</i>	50	MHFA	Apr. 1997 - Sold 2017
<i>Parkside Townhomes, Redwood Falls MN</i>	30	FNMA	Feb. 1997 - Sold 2017
<i>Valley Farms Apartments, Westfield IN</i>	92	Rural Development	May 1996
<i>Lincoln Square Apartments, Chisholm MN</i>	38	Bank	Aug. 1995 - Sold 2013
Total Completed	602		
Total In Progress	106		
Total Units	708		

2a.ii Experience Obtaining & Utilizing Federal, State, City, and Other Financing

Normandy Square Senior Apartments, 6509 Normandy Lane, Madison WI
Completed August 2019



58 Total Units – 48 Affordable Units (12 Units are 30% Supportive Units)

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

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

The Grove Apartments, 202 & 206 Cottage Grove Road, Madison WI
Completed September 2020



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

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

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

River Parkway Apartments & Townhomes, 6300 River Parkway, Wauwatosa WI

Opening August 2021



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

Source	Amount	Comments
2019 LIHTC Tax Credits Awarded by WHEDA	\$1,550,000	Awarded credits 2019
Chicago FHLB Grant	\$900,000	Awarded Dec 2019
TIF Application City of Wauwatosa	\$756,000	Awarded Nov 2019

Taylor Pointe Apartments, 4900 Larson Beach Road, McFarland, WI

Opening Spring 2022



51 Total Units - 48 Affordable Units (11 Units are 30% Supportive Units)

Source	Amount	Comments
2020 LIHTC Tax Credits Awarded by WHEDA	\$732,985	Awarded credits 2020
Chicago FHLB Grant	\$720,000	Awarded
Dane County AHF Funds	\$608,341	Awarded

The Oscar Senior & Family Apartments, 1222 & 1244 Huxley Street, Madison, WI
Opening Summer 2022



110 Total Units - 93 Affordable Units (22 Units are 30% Supportive Units)

Source	Amount	Comments
2020 LIHTC Tax Credits Awarded by WHEDA	\$1,550,000	Awarded credits 2020
City of Madison AHF Funds	\$ 1,700,000	Awarded
Dane County AHF Funds	\$ 1,187,550	Awarded

2b. Experience with Participating in Public/Private Joint Ventures (brief narrative examples)

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

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

Middleton Independent Tax Credit and Heritage Assisted Living and Memory Care

2012- Heritage Middleton a 135 unit senior housing campus developed at a vacant sentry store in Middleton, WI. MSP put the site under contract in 2011 and worked with the City to help remove an eyesore on the gateway to Madison through Middleton. The site required excavation and haul off of approximately 10 feet of soil and replacing that soil with engineered fill. This was due to the site previously sitting at the edge of a lake bed. The City provided \$2,100,000 in tax increment financing and Dane County provided a low interest loan in the amount of \$460,000. MSP also financed this development with tax credits and a 7/10 loan from WHEDA. The \$18,000,000 development consists of a 4 story 56 unit independent tax credit senior building interconnected to a 2 story 79 unit assisted living memory care community. The project is extremely dense on a site of only 2.2 acres, but fits the urban design standards encouraged by the City. Construction took 12 months and the project has been full with a long waiting list on the affordable independent side since almost day one of certificate of occupancy. Contact Information: Mike Davis-City Administrator 608-821-8358

2c. Years in Existence and Staff Qualifications

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

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



MSPRE has experience with public/private development projects utilizing TIF, HOME Funds, Federal Home Loan Bank funding, CBDG, Metropolitan Council grants, and DTED grants. MSPRE has extensive knowledge of real estate development gained over the past 32 years of development experience that also includes an expansive assisted living portfolio of housing.

Milo Pinkerton – President

Milo has developed more than 2900 units spanning over 32 years. Milo's unique background of architecture, finance, real estate and construction has enabled MSP projects to be of consistent high quality, on time and on budget.



Heritage Senior Living was formed in 2000, as a health care housing company for independent, assisted and memory care seniors and has since grown to the country's 72nd largest operation. Every year Heritage is constructing over \$30 Million in purpose-built housing, primarily in Wisconsin.

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

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

Mark Hammond – Vice President of Development

Mark Hammond, as Vice President of Development, leads all real estate development and construction 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, and tax credit affordable housing opportunities. Mark actively manages all aspects of the development process, including site acquisition and approval, financing, design and value engineering, construction, and lease-up.



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

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

MSP Property Management

MSP Property Management, LLC (MSPPM) was formed in 2005 to more fully service its affordable housing and market-rate housing in Wisconsin. MSPPM currently manages over 1300 units throughout the state of Wisconsin.

Brian Martin – Vice President of Asset Management

Brian Martin, as Vice President of Asset Management oversees the financial performance of all MSP-owned properties, and is instrumental in the opening and lease-up of all new construction projects. In addition, Brian oversees the acquisition, financing, maintenance and information technology departments for all Heritage and MSP-owned facilities.



Brian has been in Real Estate Management for over 14 years. He began his career as a site manager in the Madison area overseeing a 60-unit tax credit property as well as a market-rate campus housing portfolio. In 2010 he was promoted to Area Manager and was responsible for a portfolio of 20 properties and over 1200 units. During his time as Area Manager, Mr. Martin oversaw the successful completion of over 12 new lease up properties in Wisconsin and Iowa. In early 2014 Mr. Martin was promoted to the position of Regional Manager and then a year later to Regional Asset Manager where he was responsible for a portfolio of roughly 50 properties and more than 3350 units throughout Wisconsin, Illinois and Iowa. His experience covers market rate, tax-exempt bond, HUD Section 8 and HOME, USDA Rural Development and Low Income Housing Tax Credit financed development.

Ben Shearer – Vice President of Construction

As VP of Construction, Ben leads the construction operations at MSP. He is involved in all aspects of our projects from concept to completion. He has 16 years of experience in commercial construction management and holds a Bachelor of Science in Construction Management from the University of Wisconsin-Stout.



Ben has managed over 130 construction projects throughout the Midwest, Southwest, and West Coast in numerous markets including Senior Living, Hospitality, Retail, Office, Restaurant, Tenant Improvement, and Light Industrial. Originally from Wisconsin, Ben spent nearly 10 years of his career living in Arizona.

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

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

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

2d. Financial Capacity of the Organization to Secure Financing and Complete the Proposed Project

MSP Real Estate Inc. believes this RFP response demonstrates a development team that can provide all the requirements necessary to complete a 79 unit tax credit apartment building on the proposed site and secure the necessary sources of financing based on past performance of similar sized deals.

In the last 5 years alone, MSP has built over 600 units with construction project costs approaching \$100 million, a large portion of which is new tax credit housing in the state of Wisconsin along with senior living housing.

2e. Developer's Experience With, Including Number of Projects, Number of Units and Location of Projects Developed with Integrated Supportive Housing Units

Development Name	Location	Total Units	Integrated Supportive Units
New Berlin City Center	New Berlin, WI	102	11
Middleton Senior Apts.	Middleton, WI	56	9
Meadow Ridge Apts.	Waukesha, WI	70	6
The Landing Apts.	Chippewa Falls, WI	40	3
Normandy Square Senior	Madison, WI	58	12
The Grove Apartments	Madison, WI	112	23
River Parkway Apartments	Wauwatosa, WI	136	24
Taylor Pointe Apartments	McFarland, WI	51	11
The Oscar Apartments	Madison, WI	110	22

MSP Real Estate has incorporated supportive service partnerships with past developments. These developments set aside a portion of the building's apartments for homeless/nearly homeless individuals, Veterans, or persons with disabilities. Services are offered in order to support these residents' housing stability.

On MSP's five most recent affordable housing projects, we have 20% total units set aside as supportive housing units for residents at 30% CMI. We have collaborated with area organizations to receive referrals for these units at our developments. Some area organizations we have worked with in the past include JustDane, Salvation Army of Dane County, Dane County Veterans Service Office, Community Action Coalition for South Central Wisconsin, and Milwaukee County Veterans Service among many others. Some services these organizations provide are prison reentry programs, connecting Veterans to resources within their communities, and providing rapid rehousing packages for homeless/nearly homeless individuals. We have also worked with Movin' Out on some of our earlier projects in the area, assisting residents with special needs stabilize their living situation and live more independently. These services contribute to creating a supportive environment for residents who many need it most.

MSPP Property Management provides marketing materials and brochures during initial outreach to each of our supportive service partners, and endeavors to make existing and prospective residents aware of services and resources available by provision of a tenant resource area within the common area of the development. As 30% CMI supportive housing units become vacant, MSPPM continues to reach out to these partner organizations for referrals. MSP looks forward to continuing to build these relationships with community organizations on future developments.

2f. Proposed Property Management Entity's Experience Including Number of Projects, Number of Units and Location of Projects Managed. Property Management Entity's Performance Record and Approach with Integrated Support Services as well as with Inclusive and Culturally Sensitive Property Management and Marketing Practices.

MSP Property Management since 2005 has provided all property management functions including Tax Credit certification, recertification, ongoing compliance, all accounting functions, day to day management and maintenance. MSP Property Management site management staff and marketing practices adheres to all federal and state housing compliance issues including AG 134, Equal Opportunity, Fair Housing Requirements, affirmative fair marketing practices and Section 504 of the Rehabilitation Act of 1973. As well working with integrated supportive service providers we have partnered with before, Movin' Out and WestCap.

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

WHEDA requires the Property Manager of record for this tax credit application to receive a WHEDA annual

management agent approval certification:

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

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

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

2g. List Any Architectural Awards, Service Awards, or Green Building Certification that Your Organization has Received

Market Rate Housing Development – Best New Development

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

Affordable Senior Housing – Design Award

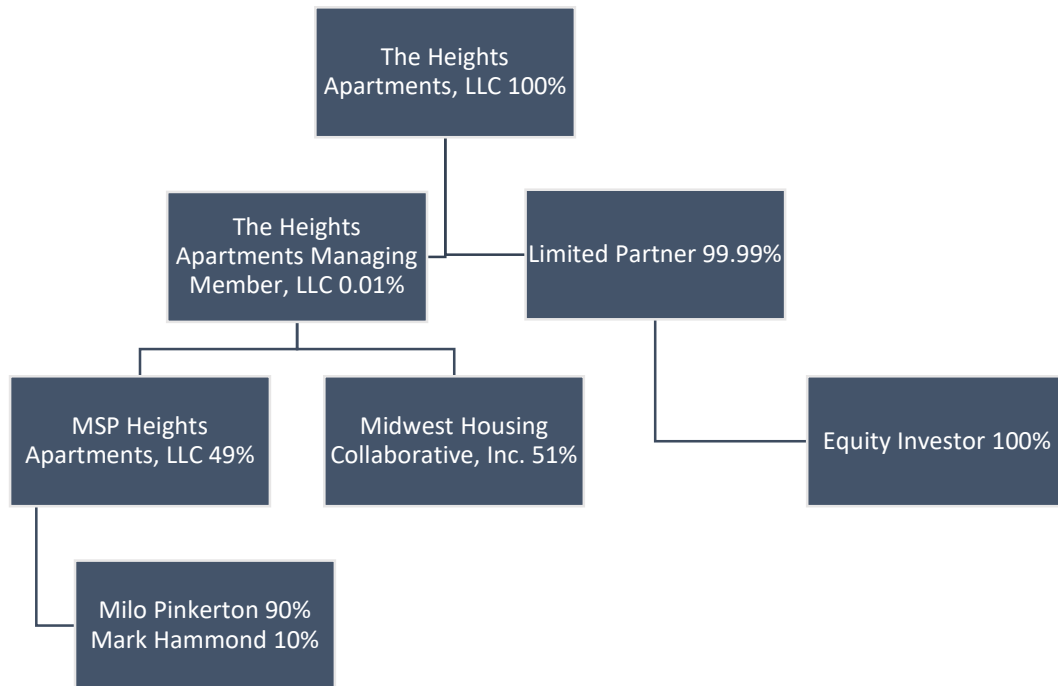
Completed in the Fall of 2019, Normandy Square Senior Apartments, a 58-unit age-restricted affordable development located at 6509 Normandy Lane in Madison, was awarded second place in the architecture and design awards for affordable developments in 2019 by Senior Housing News.

Wisconsin Green Built

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

Credit Application Year	Name of Development	Units	Built to Max Wisconsin Green Built Standard?	Third Party Verification or Certification
2010	New Berlin Senior	34	Yes	Verification
2010	City Center at Deer Creek	102	Yes	Verification
2010	Homestead Village II	24	Yes	Verification
2011	Middleton Senior	56	Yes	Verification
2013	Meadow Ridge	70	Yes	Verification
2015	The Landing	40	Yes	Verification
2017	Normandy Square Senior	58	Yes	Verification
2018	The Grove	112	Yes	Verification
2019	River Parkway Apartments	136	Yes	Certification
2020	The Oscar Apartments	110	Yes	Certification
2021	Taylor Pointe Apartments	51	Yes	Certification

2h. Project Organizational Chart, Including Ownership Interest Percentages



MSP Real Estate, Inc, the Developer, will assign land rights to The Heights Apartments, LLC or other to be named LLC for The Heights Apartments. The Heights Apartments Managing Member LLC, 0.01% will be majority owned by non-profit, Midwest Housing Collaborative, Inc.

Section 3a – Letters from Supportive Service Providers

- **3a.i – Dane County Veterans Service Office**

3a.i – Dane County Veterans Service Office

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (the “MOU”) is made on this 18th day of November, 2020 (the “Effective Date”) by and between Dane County Veterans Service Office (CVSO) and MSP Real Estate, Inc or its assigns (Owner) and MSP Property Management LLC (Property Management Agent).

WITNESSETH

WHEREAS, the Developer is the developer of 78 proposed apartment units in a development to be located at 2208 University Avenue, Madison, WI.

WHEREAS, the Dane County Veterans Service Office is an organization which assists eligible veterans and their dependents in applying for state and federal veterans benefits, and whose mission is to serve all veterans and their families, with dignity and compassion, by providing assistance in the preparation and submission of claims for benefits to which they may be entitled, and to serve as their principal advocate and link to services on veterans’ related issues.

WHEREAS, the intent of this Memorandum is to confirm our mutual desire and commitment to initiate a collaborative relationship to ensure eligible veterans are aware of the availability of affordable housing units in this development, and establish communication to connect future low income residents with appropriate services and service providers.

WHEREAS, the Developer is seeking financial support from the Wisconsin Housing and Economic Development Authority (WHEDA) through the Section 42 Low Income Housing Tax Credit Program (LIHTC) to construct the property.

WHEREAS, anticipating that the application will be well received by WHEDA, and hopeful that it will receive funding that will allow construction of the community, the Developer wishes to proactively establish an area referral network that includes the Dane County Veterans Service Office.

NOW THEREFORE, Developer and the Dane County Veterans Service Office agree:

- 1) The proposed project intends to provide 16 “supportive housing units” (30% CMI units) at very affordable rents. The target population for the supportive housing units is individuals, families, veterans and the senior population who have permanent developmental, physical, sensory, medical or mental health disabilities or a combination of impairments that make them eligible for long term care services.
- 2) Should the proposed project be constructed, Developer and/or its property management agent will, whenever there is a vacant supportive housing unit, contact your office and other area local partners asking for referrals of prospective residents who are low income and are veterans. This contact will be made by the Developer or their onsite management agent staff via email or phone.
- 3) The Developer’s property management agent will establish a waiting list of prospective residents based on referrals described above.
- 4) The Developer and its property management agent will endeavor to make existing and prospective residents aware of services and resources available by provision of a tenant resource area within the common area of the proposed development. The tenant resource area will consist of contact information for the CVSO as well as materials and brochures of the Dane County Aging and Disability Resource Center (ADRC), and other area collaborative partners. New residents will also receive a copy of the CVSO and ADRC brochure directly from the property manager at the time of lease signing. Our onsite management agent staff will be coached regarding “who and how” with regards to the CVSO and ADRC to help

- connect residents to the appropriate service networks.
- 5) The proposed project will not provide long term services, nor charge fees related to long term services to residents, but will rather refer residents to the CVSO, the ADRC, and other area local partners in order to assist residents to locate the services and funding appropriate to their individual need.
 - 6) Residents will not be required to receive any services in order to reside in the development. Residents that desire to receive services will have a choice in service provider(s).

Administrative Provisions

Duration

This MOU is subject to the project receiving an award of LIHTC, with operations expected to commence in the Spring of 2023. The initial period shall be 12 months from commencement of leasing operations. Either party may terminate this agreement with 30 days' notice at the end of the initial period.

Amendments

This MOU may be amended when such an amendment is agreed to in writing by all signatories. The amendment will be effective on the date a copy is signed by all parties.

Confidentiality

It is agreed that by virtue of entering into this MOU they will have access to certain confidential information regarding the other party's operations related to this project. It is further agreed that the parties will not at any time disclose confidential information and/or material without the consent of that party unless such disclosure is authorized by this MOU or required by law. Unauthorized disclosure of confidential information shall be considered a breach of this MOU. Where appropriate, client releases will be secured before confidential information is exchanged. Confidential client information will be handled with the utmost discretion and judgment.

Nondiscrimination

There shall be no discrimination of any person or group of persons on account of race, color, creed, religion, sex, marital status, sexual orientation, age, handicap, ancestry, or national origin in the operation of the project.

Signatories:

Dane County Veterans Service Office

MSP Real Estate, Inc.

By: 

By: 

Date: November 30, 2020

Date: 11.30.2020

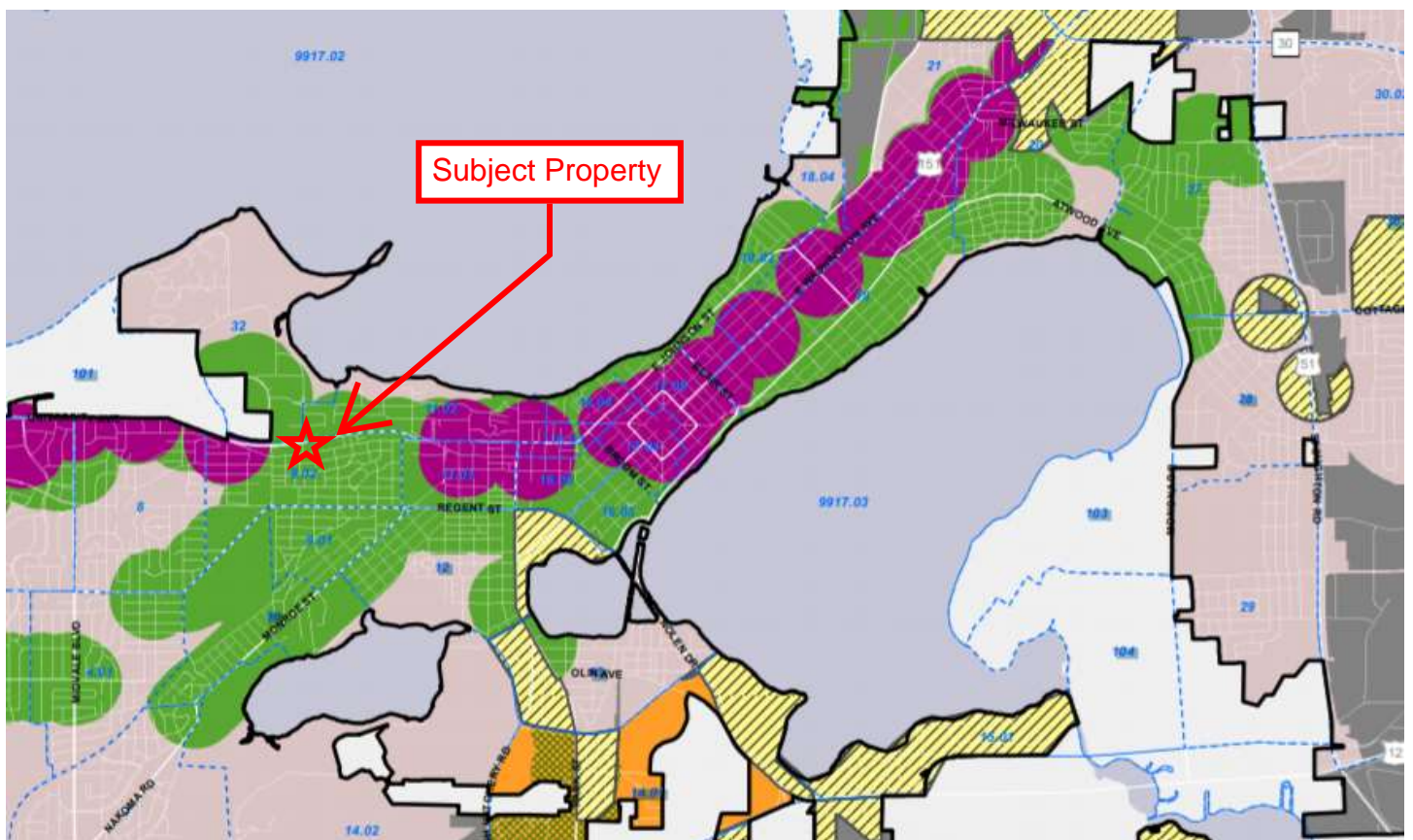
Name: Daniel A. Connery

Name: Mark Hammond

Title: Dane County CVSO

Title: VP of Development

Section 3b – Detailed Site Map & AHF Context Map



Section 3c – Preliminary Site Plan



Section 3d – Capital Needs Assessment (N/A New Construction)

Section 3e – Focus on Energy Initial Application Confirmation

Alyssa Klecker

From: Lara Bakker <lara.bakker@focusonenergy.com>
Sent: Thursday, July 8, 2021 1:35 PM
To: Jerry Bourquin; Mark Hammond; Alyssa Klecker; Ben Shearer
Cc: Lara Bakker; Nicholas Haberl
Subject: Welcome! The Heights Apartments - Focus on Energy - Energy Design Assistance - 4021389
Attachments: ATT32093.png

Welcome!

Thank you for enrolling and congratulations on qualifying into the Design Assistance Program!

The Design Assistance Program is ready to schedule a meeting with the complete project team to review the energy modeling process and refine the list of Energy Conservation Measures that will be modeled for your project.

Here is a summary of your information to date:

Enrollment Requested Date: 6/29/2021 11:45:30 AM
Program/Track: Focus on Energy Design Assistance
Status: Active
Enrollment Number: FOE-46E60-20633
Project Name: The Heights Apartments
Project Address: 2208 University Ave Madison, WI 53726
Contact Name: Mark Hammond
Contact Phone: 6128689997
Contact Email: mhammond@msphousing.com
Building Type: Multi-Family Housing
Building Square Feet: 118,714
Number Of Floors: 6
Electric Utility Name: Madison Gas and Electric Company
Gas Utility Name: Madison Gas and Electric Company

Here is the current Project Team roster:

Role	Name	Company	Email	Phone
Architect	Jerry Bourquin	Dimension IV Madison Design Group	jbourquin@dimensionivmadison.com	608-829-4453

Owner	Mark Hammond	MSP Real Estate	mhammond@msphousing.com	9523514540
Applicant, Owner	Alyssa Klecker	MSP Real Estate	aklecker@msphousing.com	952.351.4540
General Contractor	Ben Shearer	MSP Real Estate	bshearer@msphousing.com	414.208.8745
Willdan Modeler	Nick Haberl	Focus on Energy	nhaberl@willdan.com	515.271.9918
Willdan Manager	Lara Bakker	Focus on Energy	lara.bakker@focusonenergy.com	608.709.5172

As always, please contact us at 608.709.5172 or lara.bakker@focusonenergy.com , any time we can be of assistance.

Best Regards,



Lara Bakker | Project Manager
lara.bakker@focusonenergy.com

☎ 877.939.1873
☎ 608.709.5172

1 South Pinckney, Suite 340
Madison, WI 53703

[Skip to main content](#)



New Construction

Thank You

Your application has been saved. You will receive an email notification that includes a link to make subsequent changes to this application.

Application Number: **FOE-46E60-20633**

Program: **New Construction**

Sponsor: **Focus on Energy**

Created By: **Alyssa Klecker on 6/29/2021 11:45:30 AM**

Project Name: **The Heights Apartments**

Project Location: **2208 University Ave**
Madison, WI 53726

Business Customer: **The Heights Apartments, LLC**

Your unique application number is listed below:

FOE-46E60-20633

You can make additional updates to your application at any time by clicking the above application number. You will also receive a confirmation email that contains this link to allow you to make further modifications.

Return to Application

Section 3f – Zoning Letter / Conditional Use Approval Letter



Department of Planning & Community & Economic Development

Planning Division

Heather Stouder, Director

Madison Municipal Building, Suite 017

215 Martin Luther King, Jr. Blvd

P.O. Box 2985

Madison, Wisconsin 53701-2985

Phone: (608) 266-4635

www.cityofmadison.com

April 14, 2021

Mark Hammond
MSP Real Estate, Inc.
1295 Northland Dr, Ste 270
Mendota Heights, MN 55120

RE: Legistar #64364; Accela 'LNDUSE-2021-00012' -- Approval of a demolition permit and conditional uses for a mixed-use building at 2208 University Avenue

Dear Mr. Hammond:

At its April 12 meeting, the Plan Commission, meeting in regular session, found the standards met and approved your demolition permit to raze a building used for auto repair and construct a six-story mixed-use building with approximately 750 square feet of commercial space and 79 apartment units at **2208 University Avenue**. In order to receive final approval of the conditional use, demolition permit, and for any other permits that may need to be issued for your project, the following conditions shall be met:

Please contact my office at (608) 243-0455 if you have any questions regarding the following four (4) items:

1. No HVAC "wall-pack" penetrations/louvers are shown on the street-facing facades. Unless specifically approved by the Plan Commission, the addition of wall packs on outward-facing walls is not included in this approval and will require approval of an alteration to this conditional use should they be proposed at a later time.
2. Provide sound-insulating windows and wall materials and other noise mitigation techniques for the rear building façade along Campus Drive.
3. Provide additional landscaping and tot lot details for the east courtyard area with the details to be approved by Zoning and Planning Division staff.
4. That the applicant simplify the materials and design of the front façade and add an element of vertical articulation to the rear façade with these details to be approved by Zoning and Planning Division staff.

Please contact Jacob Moskowitz, Assistant Zoning Administrator at (608) 266-4560 if you have any questions regarding the following eight (8) items:

5. Section 28.185(7)(a)5. requires that if a demolition or removal permit is approved, it shall not be issued until the reuse and recycling plan is approved by the Recycling Coordinator, Bryan Johnson (608-266-4682).

6. Section 28.185(10) Every person who is required to submit a reuse and recycling plan pursuant to Sec. 28.185(7)(a)5. shall submit documents showing compliance with the plan within sixty (60) days of completion of demolition.
7. Section 28.185(9)(a) A demolition or removal permit is valid for one (1) year from the date of the Plan Commission.
8. Submit the landscape plan and landscape worksheet stamped by the registered landscape architect. Per Section 28.142(3) Landscape Plan and Design Standards, landscape plans for zoning lots greater than ten thousand (10,000) square feet in size must be prepared by a registered landscape architect.
9. Provide adequate development frontage landscaping per section 28.142(5) Development Frontage Landscaping. Landscaping and/or ornamental fencing shall be provided between buildings or parking areas and the adjacent street(s), except where buildings are placed at the sidewalk. Note that landscaping must be installed on the private property.
10. Clearly show the useable open space areas on the final plans. In addition to showing structured useable open space at balconies or rooftop areas, identify each qualifying at-grade usable open space area on the final plans. Roof decks and balconies may be used to meet up to seventy-five percent (75%) of the minimum open space requirement, provided that minimum dimensional requirements are satisfied.
11. As part of final sign-off, provide revised elevations showing compliance with Sec. 28.129, bird-safe glass requirements.
12. As part of final sign-off, provide revised parking level floor plans showing compliance with Sec. 28.141(8)(e), electric vehicle charging station requirements.

Please contact Tim Troester of the City Engineering Division at (608) 267-1995 if you have any questions regarding the following twenty-five (25) items:

13. Property has a City sanitary sewer below the south property line. Applicant shall either dedicate a 10' wide sanitary sewer easement or build a City sewer manhole at the west property line and take over ownership of sewer east of the manhole.
14. The plans (Sheet C3.0) shows a sanitary sewer across the north property line. The City does not show this sewer facility in our Public sewer utility records.
15. The site plan has several discrepancies that conflict with the City's records for the storm sewer. Namely the existence of a 12x6 box that is mislabeled as a 12" pipe that runs north-South within the storm easement. It is unclear if there is a private 12" pipe above the box culvert since the box is so deep or if this is mislabeled. City records also indicate there is an 18" RCP that connects to the north-south storm box near Campus Drive. Verify all pipe sizes and inverts for the storm sewer immediately adjacent to this project. Verify location of existing 18" storm sewer and if this crosses private property a public storm sewer easement will be required.
16. Due to the age of the existing 12'x6' box culvert (circa 1925) and due to the unknown condition of

the box culvert, no staging equipment, materials, cranes or heavy vehicles will be allowed over the box. If the box culvert fails due to construction related activities the applicant shall be responsible for replacing any failed sections. It is recommended that the applicant perform a pre-construction inspection and a post construction inspection to verify the condition of the storm sewer prior to commencing construction.

17. This area is within a watershed study for flood mitigation and has a known flooding risk. The minimum opening elevations for shall be dictated based on the computed 100 year water level for the existing conditions in this area. The stated elevation is intended to be protective but does not guarantee a flood proof structure. The Developer/Owner are strongly encouraged to complete their own calculations and determine an elevation that protects their property to a level of service that they are comfortable with. The watershed study model is in progress and elevations will be provided when available.
18. The applicant shall retain a structural engineer registered in the State of Wisconsin to review the condition and design of the existing box culvert on this site. That PE shall provide a sealed report to the City Engineer providing a determination if the existing box culvert is suitable to sustain the loads proposed by this development (Fire Lane with associated loads).
19. Enter into a City / Developer agreement for the required infrastructure improvements. Agreement to be executed prior to sign off. Allow 4-6 weeks to obtain agreement. Contact City Engineering to schedule the development and approval of the plans and the agreement. (MGO 16.23(9)c)
20. Construct sidewalk, terrace, curb & gutter, pavement as necessary to a plan as approved by City Engineer
21. Madison Metropolitan Sewerage District (MMSD) charges are due and payable prior to Engineering sign-off, unless otherwise collected with a Developer's / Subdivision Contract. Contact Mark Moder (608-261-9250) to obtain the final MMSD billing a minimum of two (2) working days prior to requesting City Engineering signoff. (MGO 16.23(9)(d)(4))
22. Provide the City Engineer with the proposed earth retention system to accommodate the restoration. The earth retention system must be stamped by a Professional Engineer. The City Engineer may reject or require modifications to the retention system. (POLICY)
23. Obtain a permit to Excavate in the Right-of-Way for the connection and/or installation of utilities required to serve this project and shall comply with all the conditions of the permit. This permit application is available on line at <http://www.cityofmadison.com/engineering/permits.cfm>. (MGO 10.05(6)), MGO 35.02(4)(c)(2)), and MGO 37.05(7))
24. Obtain a permanent sewer plug permit for each existing sanitary sewer lateral serving a property that is not to be reused and a temporary sewer plug permit for each sewer lateral that is to be reused by the development. The procedures and fee schedule is available online at <http://www.cityofmadison.com/engineering/permits.cfm>. (MGO CH 35.02(14))
25. This project appears to require permanent dewatering. A permit to connect to the public stormwater system shall be required from City Engineering. Additionally, a permit for non-storm discharge to the storm sewer system from the City/County Health Department shall also be

required. If contaminated soil or groundwater conditions exist on or adjacent to this project additional WDNR, Public Health, and/or City Engineering approvals may be required prior to issuance of the connection and non-storm discharge permits.

26. An Erosion Control Permit is required for this project. See Storm comments for permit specific details and requirements.
27. A Storm Water Maintenance Agreement (SWMA) is required for this project. See Storm comments for agreement specific details and requirements.
28. This site appears to disturb less than one (1) acre of land. No submittal to the WDNR, CARPC or Department of Safety and Professional Services (DSPS) is required as the City of Madison Building Inspection Department is an approved agent for DSPS.
29. This property has been in auto repair since the mid-1970s and may contain petroleum contamination. In addition, there are petroleum contaminant sites on both adjacent properties. If contamination is encountered, follow all WDNR and DSPS regulations for proper handling and disposal.
30. Construction or permanent dewatering from this site may be impacted by onsite or adjacent groundwater contamination. Coordinate with Trevor Moen of the WNDNR to determine if a WPDES permit for contaminated water is required (608.266.3906, Trevor.Moen@wisconsin.gov). Send proof of WDNR's determination to Brynn Bemis (608.267.1986, bbemis@cityofmadison.com).
31. Revise the site plan to show all existing public sanitary sewer facilities in the project area as well as the size, invert elevation, and alignment of the proposed service. (POLICY)
32. The proposed development proposes to construct underground parking. The proposed entrance to the underground parking is adjacent to a street low point. The applicant shall provide at a minimum of one (1) foot of rise from the adjacent back of walk in the driveway before breaking grade to the down ramp to the underground parking to protect the underground parking from inundation.
33. This project falls in the area subject to increased erosion control enforcement as authorized by the fact that it is in a TMDL ZONE and therefore will be regulated to meet a higher standard.
34. This project will disturb 20,000 sf or more of land area and require an Erosion Control Plan. Please submit an 11" x 17" copy of an erosion control plan (pdf electronic copy preferred) to Megan Eberhardt (west) at meberhardt@cityofmadison.com, or Daniel Olivares (east) at daolivares@cityofmadison.com, for approval.
Demonstrate compliance with Section 37.07 and 37.08 of the Madison General Ordinances regarding permissible soil loss rates. Include Universal Soil Loss Equation (USLE) computations for the construction period with the erosion control plan. Measures shall be implemented in order to maintain a soil loss rate below 5.0 tons per acre per year. The WDNR provided workbook to compute USLE rates can be found online at <https://dnr.wi.gov/topic/stormwater/publications.html>
This project will require a concrete management plan and a construction dewatering plan as part of the erosion control plan to be reviewed and approved by the City Engineer's Office. If contaminated soil or groundwater conditions exist on or adjacent to this project additional WDNR, Public Health, and/or City Engineering approvals may be required prior to the issuance of the required Erosion

Control Permit. (POLICY)

This project appears to require fire system testing that can result in significant amounts of water to be discharged to the project grade. The Contractor shall coordinate this testing with the erosion control measures and notify City Engineering 608-266-4751 prior to completing the test to document that appropriate measures have been taken to prevent erosion as a result of this testing. Complete weekly self-inspection of the erosion control practices and post these inspections to the City of Madison website - as required by Chapter 37 of the Madison General Ordinances.

35. Prior to approval, this project shall comply with Chapter 37 of the Madison General Ordinances regarding stormwater management. Specifically, this development is required to submit a Storm Water Management Permit application, associated permit fee, Stormwater Management Plan, and Storm Water Management Report to City Engineering. The Stormwater Management Permit application can be found on City Engineering's website at <http://www.cityofmadison.com/engineering/Permits.cfm>.

The Storm Water Management Plan & Report shall include compliance with the following:

Report: Submit prior to plan sign-off, a stormwater management report stamped by a P.E. registered in the State of Wisconsin.

Electronic Data Files: Provide electronic copies of any stormwater management modeling or data files including SLAMM, RECARGA, TR-55, HYDROCAD, Sediment loading calculations, or any other electronic modeling or data files. If calculations are done by hand or are not available electronically, the hand copies or printed output shall be scanned to a PDF file and provided to City Engineering.

(POLICY and MGO 37.09(2))

Rate Control: Reduce the peak discharge in the 10year event by 15% compared to existing conditions.:

Reduce TSS by 80% off of the proposed development when compared with the existing site.

Oil/Grease Control: Treat the first 1/2 inch of runoff over the proposed parking facility and/or drive up window.

Volume Control: Provide onsite volumetric control reducing the post development peak discharge by 5% in the 10 year event compared to existing conditions.

Submit a draft Stormwater Management Maintenance Agreement (SWMA) for review and approval that covers inspection and maintenance requirements for any BMP used to meet stormwater management requirements on this project.

36. Submit, prior to plan sign-off but after all revisions have been completed, a digital CAD file (single file) to the Engineering Division that is to scale and represents final construction with any private storm and sanitary sewer utilities.
37. Submit, prior to plan sign-off but after all revisions have been completed, digital PDF files to the Engineering Division. Email PDF file transmissions are preferred to: bstanley@cityofmadison.com (East) or ttroester@cityofmadison.com (West).

Please contact Jeff Quamme of the City Engineering Division – Mapping Section at (608) 266-4097 if you have any questions regarding the following seven (7) items:

38. If the sewer along the south side of this site is not converted to a private lateral and remains public, the owner shall grant a 10' wide Public Sanitary Sewer Easement to the City of Madison over the southerly portion of this parcel. Provide a map exhibit (including proposed improvements within the easement) and legal description of the easement area to Jeff Quamme of Engineering Mapping

(jrquamme@cityofmadison.com). Please note that new private improvements within the easement are required to be removed by the City to maintain the pipe, those improvements will not be replaced by the City and will not be compensable. Jeff will set up the Real Estate project for the administration, drafting and recording of the easement. Any easement description shall be tied to a public land survey quarter line.

39. The MMSD Sewer shown over the northerly side of this parcel per 964219 does not encumber this lot and lies north of Campus Drive. The easement was granted prior to the land taking for Campus Dr in 1969. Remove all references to the MMSD sewer from the plans.
40. The 12" Storm Sewer shown on these plans is incorrect and shall acknowledge the actual 12 x 6 box culvert (outside dimensions of 14 x 8) constructed circa 1925 that is within the existing easement per Doc No 379604.
41. The Owner is solely responsible to coordinate construction activities and any obstruction of access therein with the owner to the east that shares the common driveway per Doc No's 916223 and 923476.
42. The Owner is solely responsible to obtain any right of entry / easements for construction upon the parcel to the west, and any right of maintenance for the planned retaining wall along the west side of this site.
43. The address of 2208 University Ave will be retired with the demolition of the building.
The new address will be determined when the floor plans are received showing the apartment and commercial tenant entry door details.
The site plan shall reflect a proper street address of the property as reflected by official City of Madison Assessor's and Engineering Division records.
44. Submit a Floor Plan in PDF format to Lori Zenchenko (lzenchenko@cityofmadison.com) that includes a floor plan for each floor on a separate page for the development of a complete interior addressing plan. The Addressing Plan for the entire project shall be finalized and approved by Engineering (with consultation and consent from the Fire Marshal if needed) prior to the submittal for the final Site Plan review with Zoning. The approved Addressing Plan shall be included in said final application. For any changes pertaining to the location, deletion or addition of a unit, or to the location of a unit entrance, (before, during, or after construction), a revised Address Plan shall be resubmitted to Lori Zenchenko to review addresses that may need to be changed and/or reapproved. The final revised Addressing Plan shall be submitted by the applicant to Zoning to be attached to the final filed approved site plans.

Please contact Sean Malloy of the Traffic Engineering Division at (608) 266-5987 if you have any questions regarding the following eighteen (18) items:

45. The applicant shall submit a deposit of \$3,000 to upgrade the crosswalk at N. Allen Street/University Avenue from a traditional crosswalk to a continental crosswalk to be completed with an Engineering Developer's Agreement.
46. The applicant shall submit one contiguous plan showing proposed conditions and one contiguous plan showing existing conditions for approval. The plan drawings shall be to engineering scale and

include the following, when applicable: existing and proposed property lines; parcel addresses; all easements; vision triangles; pavement markings; signing; building placement; items in the terrace such as signs, street light poles, hydrants; surface types such as asphalt, concrete, grass, sidewalk; driveway approaches, including those adjacent to and across street from the project lot location; parking stall dimensions, including two (2) feet of vehicle overhang; drive aisle dimensions; semitrailer movement and vehicle routes; dimensions of radii; and percent of slope.

47. The Developer shall post a security deposit prior to the start of development. In the event that modifications need to be made to any City owned and/or maintained traffic signals, street lighting, signing, pavement marking and conduit/handholes, the Developer shall reimburse the City for all associated costs including engineering, labor and materials for both temporary and permanent installations.
48. The City Traffic Engineer may require public signing and marking related to the development; the Developer shall be financially responsible for such signing and marking.
49. All parking facility design shall conform to MGO standards, as set in section 10.08(6).
50. All bicycle parking adjacent pedestrian walkways shall have a 2 foot buffer zone to accommodate irregularly parked bicycles and/or bicycle trailers.
51. All pedestrian walkways adjacent parking stalls shall be 7 feet wide to accommodate vehicle overhang, signage and impediments to walkway movements. Any request for variance shall be submitted to and reviewed by City Traffic Engineering.
52. Per Section MGO 12.138 (14), this project is not eligible for residential parking permits. It is recommended that this prohibition be noted in the leases for the residential units.
53. The applicant shall adhere to all vision triangle requirements as set in MGO 27.05 (No visual obstructions between the heights of 30 inches and 10 feet at a distance of 25 feet behind the property line at streets and 10 feet at driveways.). Alteration necessary to achieve compliance may include but are not limited to; substitution to transparent materials, removing sections of the structure and modifying or removing landscaping elements. If applicant believes public safety can be maintained they shall apply for a reduction of MGO 27.05(2)(bb) - Vision Clearance Triangles at Intersections Corners. Approval or denial of the reduction shall be the determination of the City Traffic Engineer.
54. The applicant shall provide a clearly defined 5' walkway from the front door to the public Right of Way clear of all obstructions to assist citizens with disabilities, especially those who use a wheel chair or are visually impaired. Obstructions include but are not limited to tree grates, planters, benches, parked vehicle overhang, signage and doors that swing outward into walkway.
55. The driveway slope to the underground parking is not identified in the plan set, Traffic Engineering recommends driveway slope under 10%; if the slope is to exceed 10%, the applicant shall demonstrate inclement weather mitigation techniques to provide safe ingress/egress to be approved by the City Traffic Engineer.
56. "Stop" signs shall be installed at a height of seven (7) feet from the bottom of the sign at all class III

driveway approaches, including existing driveways, behind the property line and noted on the plan. All directional/regulatory signage and pavement markings on the site shall be shown and noted on the plan.

57. The applicant shall show the dimensions for the proposed class III driveway including the width of the drive entrance, width of the flares, and width of the curb cut.
58. City of Madison radio systems are microwave directional line of sight to remote towers citywide. The building elevation will need to be reviewed by Traffic Engineering to accommodate the microwave sight and building. The applicant shall submit grade and elevations plans if the building exceeds three stories prior to sign-off to be reviewed and approved by Phillip Nehmer, (266-4769) (pnehmer@cityofmadison.com) Traffic Engineering Shop, 1120 Sayle Street. The applicant shall return one signed approved building elevation copy to the City of Madison Traffic Engineering office with final plans for sign off.
59. All existing driveway approaches on which are to be abandoned shall be removed and replaced with curb and gutter and noted on the plan.
60. The applicant shall prepare a TDMP (Traffic Demand Management Plan) to be reviewed and approved by the City Traffic Engineer. MGO (28.183(6)(a)(6)
61. Developer shall provide a recorded copy of any joint driveway ingress/egress and crossing easements and shall be noted on face of plan.
62. Note: This site presents difficult constructability issues; access to neighboring sites must be maintained at all times, protected walkways will be constructed and maintained as soon as possible and little to no access to the Public Right-of-Way on University Avenue will be granted for construction purposes. Provide a detailed construction plan to Traffic Engineering for review by the Traffic Control Specialist (Mike Duhr) prior to final signoff.

Please contact Bill Sullivan of the Fire Department at (608) 866-4691 if you have any questions regarding the following one (1) item:

63. Minor adjustments to the fire lanes are necessary as well as other means to build above the building code minimums to offset the limited access to the site.

Please contact Ann Freiwald of the Parks Division at (608) 243-2848 if you have any questions regarding the following one (1) item:

64. Park Impact Fees (comprised of the Park Infrastructure Impact Fee, per MGO Sec. 20.08(2)), and Park-Land Impact Fees, per MGO Sec. 16.23(8)(f) and 20.08(2) will be required for all new residential development associated with this project. This development is within the West Park-Infrastructure Impact Fee district. Please reference ID# 21007 when contacting Parks about this project.

Please contact Jeff Belshaw of the Water Utility at (608) 261-9835 if you have any questions regarding the following two (2) items:

65. The Madison Water Utility shall be notified to remove the water meter at least two working days

prior to demolition. Contact the Water Utility Meter Department at (608) 266-4765 to schedule the meter removal appointment.

66. A Water Meter Application Form and fees must be submitted before connecting to the existing water lateral. Provide at least two working days notice between the application submittal and the scheduled lateral connection/extension. Application materials are available on the Water Utility's Plumbers & Contractors website (<http://www.cityofmadison.com/water/plumbers-contractors>), otherwise they may be obtained from the Water Utility Main Office at 119 E Olin Ave. A licensed plumber signature is required on all water service applications. For new or replacement services, the property owner or authorized agent is also required to sign the application. If you have questions regarding water service applications, please contact Madison Water Utility at (608) 266-4646.

Please contact Brad Hofmann of the Forestry Division at (608) 267-4908 if you have any questions regarding the following nine (9) items:

67. Contractor shall take precautions during construction to not disfigure, scar, or impair the health of any street tree. Contractor shall operate equipment in a manner as to not damage the branches of the street tree(s). This may require using smaller equipment and loading and unloading materials in a designated space away from trees on the construction site. Any damage or injury to existing street trees (either above or below ground) shall be reported immediately to City Forestry at 266-4816. Penalties and remediation shall be required. Add as a note on the plan set.
68. As defined by the Section 107.13 of City of Madison Standard Specifications for Public Works Construction: No excavation is permitted within 5 feet of the trunk of the street tree or when cutting roots over 3 inches in diameter. If excavation is necessary, the Contractor shall contact Madison City Forestry (266-4816) prior to excavation. City of Madison Forestry personnel shall assess the impact to the tree and to its root system prior to work commencing. Tree protection specifications can be found on the following website:
<https://www.cityofmadison.com/business/pw/specs.cfm> Add as a note on the plan set.
69. No later than five business days prior to forming concrete and constructing tree grate sites, the Contractor shall contact City Forestry at (608) 266-4816 to identify and locate underground conflicts (utilities, vaults, conduit) or other underground obstructions and determine grate locations. Tree grate type: Neenah 4x8 (R8815-A). Tree guard Neenah (R-8501-4818). Add as a note on the plan set.
70. Additional street trees are needed for this project. Tree planting specifications can be found in section 209 of City of Madison Standard Specifications for Public Works Construction - All street tree planting locations and tree species within the right of way shall be determined by City Forestry. A landscape plan (in PDF format) shall be submitted City Forestry for approval of planting locations and tree species. All available street tree planting locations shall be planted within the project boundaries. Add following note to plan: At least one week prior to street tree planting, Contractor shall contact City Forestry at (608) 266-4816 to schedule inspection and approval of nursery tree stock and review planting specifications with the landscaper.
71. On this project, street tree protection zone fencing is required. The fencing shall be erected before the demolition, grading or construction begins. The fence shall include the entire width of terrace and, extend at least 5 feet on both sides of the outside edge of the tree trunk. Do not remove the

fencing to allow for deliveries or equipment access through the tree protection zone. Add as a note on the plan set.

72. Street tree pruning shall be coordinated with Madison Forestry at a minimum of two weeks prior to the start of construction for this project. All pruning shall follow the American National Standards Institute (ANSI) A300 - Part 1 Standards for pruning. Add as a note on the plan set.
73. Section 107.13(g) of City of Madison Standard Specifications for Public Works Construction addresses soil compaction near street trees and shall be followed by Contractor. The storage of parked vehicles, construction equipment, building materials, refuse, excavated spoils or dumping of poisonous materials on or around trees and roots within five (5) feet of the tree or within the protection zone is prohibited. Add as a note on the plan set.
74. All proposed street tree removals within the right of way shall be reviewed by City Forestry before the Plan Commission meeting. Street tree removals require approval and a tree removal permit issued by City Forestry. Any street tree removals requested after the development plan is approved by the Plan Commission or the Board of Public Works and City Forestry will require a minimum of a 72-hour review period which shall include the notification of the Alderperson within who's district is affected by the street tree removal(s) prior to a tree removal permit being issued. Add as a note on the plan set.
75. An existing inventory of street trees located within the right of way shall be included on the landscape, site, demo, and utility plans. The inventory shall include the following: location, size (diameter at 4 1/2 feet), and species of existing street trees. The inventory should also note if a street tree is proposed to be removed and the reason for removal.

Specific questions regarding the comments or conditions contained in this letter should be directed to the commenting agency.

Please now follow the procedures listed below for obtaining your demolition permit and conditional use:

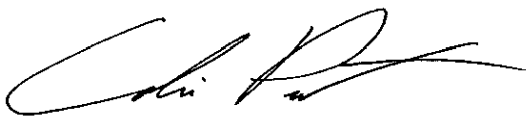
1. After the plans have been revised per the above conditions, please **one (1) complete digital plan set in PDF format** of complete, fully dimensioned, and to-scale plans; the appropriate site plan review application and fee pursuant to Section 28.206 of the Zoning Code; and any other documentation requested herein to the Zoning Administrator at zoning@cityofmadison.com. (Note that that an individual email cannot exceed 20MB and it is the responsibility of the applicant to present files in a manner that can be accepted. Please email zoning@cityofmadison.com regarding questions or if you need alternative filing options) The sets of final revised plans or documents will be circulated by Zoning staff to the City department staff listed above for their final approval.
2. This letter shall be signed by the applicant to acknowledge the conditions of approval and returned to the Zoning Administrator when requesting conditional use approval.
3. A demolition or removal permit is valid for one (1) year from the date of the Plan Commission. Where the plans have not been altered since issuance of the demolition or removal permit and the permit has expired, the Director of Planning and Community and Economic Development may, after

consultation with the Alderperson of the District, approve an extension for up to 24 months from the expiration date.

4. The conditional use approval is valid for one (1) year from the date of the Plan Commission approval. During this time, the applicant must either lawfully commence the use or obtain a building permit and begin erecting the building. If the applicant obtains a valid building permit, construction must commence within six (6) months of the date of issuance. The building permit shall not be renewed unless construction has commenced as is being diligently prosecuted.
5. Any alteration in plans for a proposed alternative use shall require Plan Commission approval, except for minor alterations. The Zoning Administrator may issue permits for minor alterations or additions which are approved by the Director of Planning and Community and Economic Development and are compatible with the concept approved by the City Plan Commission and the conditional use approval standards.
6. The Plan Commission retains continuing jurisdiction over all conditional uses for the purpose of resolving complaints against all previously approved conditional uses.

If you have any questions regarding obtaining your conditional use or building permits, please contact the Zoning Administrator at 266-4551. If you have any questions or if I may be of any further assistance, please do not hesitate to contact my office at 243-0455.

Sincerely,



Colin Punt
Planner

cc: Jacob Moskowitz, Asst. Zoning Administrator
Tim Troester, City Engineering Division
Jeff Quamme, City Engineering Division – Mapping
Sean Malloy, Traffic Engineering Division
Bill Sullivan, Fire Department
Ann Freiwald, Parks Division
Jeff Belshaw, Water Utility
Brad Hofmann, Forestry Division
Bryan Johnson, Streets Division

I hereby acknowledge that I understand and will comply with the above conditions of approval for demolition permits and conditional uses.

Signature of Applicant

Signature of Property Owner (if not the applicant)

LNDUSE-2021-00012			
For Official Use Only, Re: Final Plan Routing			
<input checked="" type="checkbox"/>	Planning Div. (Punt)	<input checked="" type="checkbox"/>	Engineering Mapping Sec.
<input checked="" type="checkbox"/>	Zoning Administrator	<input checked="" type="checkbox"/>	Parks Division
<input checked="" type="checkbox"/>	City Engineering	<input type="checkbox"/>	Urban Design Commission
<input checked="" type="checkbox"/>	Traffic Engineering	<input checked="" type="checkbox"/>	Recycling Coord. (R&R)
<input checked="" type="checkbox"/>	Fire Department	<input checked="" type="checkbox"/>	Water Utility
<input type="checkbox"/>	Metro Transit	<input checked="" type="checkbox"/>	Other: Forestry

Section 4 – Designation of Proprietary and Confidential Information (N/A)

MSP Real Estate The Heights Apartments

Response Submission Due Date: August 18, 2021 NOON

Instructions to Applicants:

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

Questions:

Energy Efficiency

- 1. The City expects awardees to continue working with Focus on Energy's New Construction Energy Design Assistance throughout the building design process. The City will incorporate commitments into the term sheet. Please provide an update on the status of this project's Whole Building Analysis Summary Results Report, if available. If the Results Report is not yet available, please send ASAP by September 2, 2021. What is the highest feasible Bundle Level that to which this project can commit? Do you anticipate that this project can commit to meeting the 20% savings of projected energy usage calculated over the Focus on Energy program baseline?**

We had a meeting with Focus on Energy on Friday, August 6th to go over our initial results report. At this meeting, we determined that we anticipate being able to commit to meeting the 20% savings of projected energy usage calculated over the Focus on Energy program baseline. Given the already high construction costs budgeted for this project as referenced in the financial clarification question #2 below, we anticipate the highest feasible Bundle Level to be Bundle #1. This was also the bundle that was estimated to meet the 20% savings of projected energy usage calculated over the Focus on Energy program baseline. The initial Results Report is attached.

Renewable Energy

- 1. Please provide an update on the project's potential to include a solar photovoltaics (PV) array system application vs. deferring to a blue roof for stormwater management. If solar is possible, what is the anticipated size and status of the application to Focus on Energy's Renewable Energy and/or other incentive programs.**

At this stage in the design process, it is estimated that we will need 1/3 of roof space for a blue roof system. We are now working with our HVAC subcontractor to determine how much space they will need and the rest we can make available to solar. We are working to incorporate an approximately 30.030 kW and believe this will be feasible.

2. Will the proposed project incorporate any Renewable Energy systems in addition to the solar PV? e.g., solar thermal, biogas, biomass and wind). Please describe.

No.

Sustainable Building Design Elements

1. Please describe the Sustainable Building Design Elements and strategies that will be incorporated into the proposed project as referenced in the [AIA Framework for Design Excellence](#). Relevant elements and strategies include, but are not limited to
 - a. Design for equitable communities
 - b. Optimize energy use
 - c. Protect and conserve water
 - d. Optimize building space and material use
 - e. Enhance indoor environmental quality (IEQ)
 - f. Optimize operational and maintenance practices.

Design for Equitable Communities:

- Develop quality affordable housing in a well-established neighborhood at a site that is located in perhaps the most underserved area of the City for affordable housing.
- Close proximity to various services/amenities and jobs with ample opportunity to walk, bike, or utilize public transit, limiting transportation costs and reliance on a vehicle.
- Combination of both market rate and affordable units.
- Connect residents in our supportive housing units to supportive services.
- Accessible features included beyond WHEDA requirements as described in Question #57.
- MSP held two neighborhood meetings for input and feedback in designing the project.
- Human-scale: step back after three stories, setbacks, and street level activation.
- Aim to utilize WHEDA Workforce Development Hires & 25% Emerging Businesses.

Optimize Energy Use & Protect and Conserve Water:

- Highly efficient shell/building envelope and windows with a U value of 0.35 or less.
- High efficiency air conditioner or heat pump.
- Low flow showerheads and faucets.
- ENERGY STAR qualified appliances and light fixtures.
- Operable windows.
- Work with Focus on Energy to better understand energy usage and set feasible goals.

Optimize Building Space and Material Use:

- Thoroughly review unit plans and building plans to ensure efficient use of space.
- Use durable, high-quality materials. This includes Hardie fiber cement siding and masonry materials on the exterior. Interior units feature granite countertops and vinyl plank flooring throughout with carpet in the bedrooms.

Enhance Indoor Environmental Quality:

- Lighting: Feature large windows and patio doors in all units for ample daylight. Paint units a lighter color. ENERGY STAR light fixtures incorporated throughout.
- Thermal Comfort: Incorporate a highly efficient shell. Efficiently locate HVAC equipment. Provide fans in all rooms. Residents have control of unit temperature and windows.
- Air Quality: Utilize electric ranges rather than gas ranges. Operable windows provided in every unit. All units will have individual HVAC units to ensure that apartments are not sharing air with their neighbors.
- Happiness: Connect residents to supportive services. Provide a fitness room, tot lot, and community room. Multiple parks nearby for recreation. Commercial space planned to be leased to a mental health provider that honors “culture, family, community, and faith.”

Optimize Operational and Maintenance Practices:

- Incorporate several energy efficient methods and high-quality, durable materials upfront (as mentioned above) to make the project more efficient in the long run.

Financial

1. **It appears that MSP is underwriting rents at 100% of maximum LIHTC rents. Please expand on why the development team believes that this is necessary and achievable for the 50%+ units?**

We needed to underwrite this project using 100% of LIHTC rents in order for it to be financially feasible. Due to this project being in a relatively high rent area, there is a still a very large differential between MKT and the maximum 60% rents. Moreover, since this project’s affordable units are largely 30% and 50% with fewer 60% units (only 14 of the 60% units), and due to it’s exceptional location, we are comfortable being able to achieve maximum 60% rents.

2. **The construction costs of over \$190,000 per unit appear high even in the current environment of high labor and lumber costs. Please provide some background on the high per unit construction cost.**

This project will require two floors of underground parking due to the narrow shape of the site in order to meet parking requirements and so the \$190,000 per unit noted includes this parking and the second level of below grade parking is more expensive than the first. As the project will be six stories tall above grade as well, precast or post-tension (PT) construction will be required for the two levels below grade and at least one level above grade. Due to the two floors of underground parking and precast/PT required, the concrete costs on this project are more than double what a typical project would cost. In addition, the project will require substantial additional excavation, shoring, and dewatering costs (due to the high water table). Shoring & construction dewatering costs are estimated as \$760,000. Excavation costs are also nearly double that of a typical project due to the deep underground parking of two levels. This project will require a Miraclay betonite membrane with a cost estimated of roughly \$180,000 along with an estimated cost of \$100,000 for additional waterproofing that will be necessary. Above the

level of precast/PT, there will then be five stories of IIB non-combustible construction, which will require NFPA 13 sprinklers, fire-treated wood for non-bearing interior and exterior walls and roof construction (including girders, trusses, framing, and decking). The project will require a generator for life safety (elevator backup) along with additional structural support at lower levels to support the upper levels. This project will also be built to receive WI Green Built certification. Due to the tight urban site, we anticipate additional costs for building around a crane and use of a Manitou lift. Due to the project site being a narrow, urban site there will be limited room onsite to stage and store materials. We have budgeted \$20,000 for staging and storing materials. The project will also require demolition budgeted at \$100,000.

- 3. Underground parking at \$85 per month appears high for this area of Madison. Please explain why this amount was chosen for parking. Will any reduced or waived parking be offered to residents of supportive housing units?**

Based on our internal and external market analysis, we believe the \$85 monthly parking rate is well below market for this area of Madison. Within several blocks of this development, there are apartment developments with parking rent at \$150/month and higher (our market study indicates underground parking in the market area with a range of \$100 to \$160 per month).

- 4. Please confirm that MSP will give priority to City cash flow waterfall payments if awarded both City AHF and County AHDF.**

Correct so long as the County will agree to this.

- 5. Did MSP already submit an application to the Federal Home Loan Bank of Chicago for AHP funds?**

Yes, we submitted an application to FHLB Chicago for AHP funds in June 2021. Awards are anticipated to be announced in early November 2021.

- 6. How much financial incentive do you anticipate receiving from Focus on Energy for the proposed solar PV array and incorporation of strategies recommended by the New Construction Energy Design Assistance team?**

SunVest, the solar contractor that we have worked with on previous projects, estimates \$4,253.75 of financial incentive for an approximately 30.030 kW solar array. Focus on Energy estimates a \$30,137 incentive for incorporating Bundle 1 which is anticipated to attain the 20% savings of projected energy usage calculated over the Focus on Energy program baseline.

Non-Profit Co-owner

- 1. Please elaborate on the partnership with Midwest Housing Collaborative, Inc. including contact information, race & gender composition, and the benefit of their role as a non-profit owner without a controlling interest.**

Midwest Housing Collaborative, Inc. (MHC) has five board members. Three board members are males (60%) and two board members are females (40%). There are zero (0%) persons of color on the board. Joe Schwenker is the contact at Joe.Schwenker@wimci.com and 414-759-8088. These board members combined have over 100 years in affordable housing and are a very valuable resources in pulling these types of complex projects together. Their mission is, "To create stable, vibrant, and healthy communities by developing, financing, and operating affordable housing for families and seniors by its internal expertise leveraged by partnering with professionals working the affordable housing space." As such, there is a mutual benefit in having them involved.

Supportive Housing Units/Supportive Housing Partnerships

- 1. Please provide an update on the status of commitment from TSA for the supportive housing units. Please attach a letter from TSA.**

This has been secured. Please see attached letter.



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GOOD™



Brian Peddle
General

Commissioner Brad Bailey
Territorial Commander

Major Steven J. Merritt
Divisional Commander

Major Andrew Shiels
Capital Area Coordinator
Madison Temple Corps Officer

Major Melissa Shiels
Capital Area Program Director
Madison Temple Corps Officer

Captains Vong and Ting Luangkhamdeng
Madison Genesis Corps Officers

July 7, 2021

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

RE: WHEDA Tax-Credit Rental Housing Development
The Heights Apartments – 2208 University Avenue, Madison, WI 53726

Dear Mr. Hammond,

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

My understanding is that The Heights Apartments, located at 2208 University Avenue, will be an affordable rental development that will create approximately 16 supportive housing units for individuals/families earning 30% or less of the Dane County area median income. The target population for these supportive housing units is individuals/families whose incomes qualify for the 30% rent restricted units. The available 16 supportive housing units will be generally spread across a mix of 1, 2, & 3 bedroom units at the 30% rent restricted level, but MSP will work with The Salvation Army to target units types with the greatest need which is currently understood to be slighter greater for 2 and 3 bedroom units but generally needed across all unit types. MSP Real Estate will notify the Salvation Army of the number of supportive housing units to be targeted for Salvation Army specific referrals as the project progresses, but currently anticipates approximately 5-10 units to be targeted to Salvation Army referrals.

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

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

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

Sincerely,

A handwritten signature in blue ink, appearing to read "Melissa Sorensen", with a long horizontal flourish extending to the right.

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

The Salvation Army of Dane County - P. O. Box 8455, Madison, WI 53708-8455 - 608.256.2321

“...THERE IS NO REWARD EQUAL TO THAT OF DOING THE MOST GOOD TO THE MOST PEOPLE IN THE MOST NEED.” - EVANGELINE BOOTH

Have you remembered The Salvation Army in your will?