

2018 Affordable Housing Development Fund

Dane County

I. Summary Description

- A. The total available for awards was \$3,173,508
- B. Eleven responses to the Request For Proposals were received. Two projects were withdrawn and one project was handled through the HOME Program
- C. The total value of the projects was \$155,945,198
 - * \$6,301,346 for 731 units (651 affordable) was requested from the AHDF
 - * \$3,909,848 was requested for 423 units located in the City of Madison
 - * \$2,334,498 was requested for 308 units outside the City of Madison
- D. Projects were located in Madison, Stoughton, Sun Prairie, Fitchburg and Mt. Horeb
- E. A summary of the responses is attached

II. Process

- A. A Staff Team was responsible for evaluating, scoring and ranking the proposals. The Staff Team members were Chuck Hicklin, Casey Becker Todd Violante and Dave Phillips (Chair)
- B. An RFP was developed and distributed in early April. Responses were due back in early June.
- C. To further analyze the proposals a formula holding each proposal's amount of Net Developers Fee to no more than 40% netted against the amount of AHDF's requested was applied to each proposal. The results are attached.
- D. The Staff Team passed a motion at its meeting on August 16, 2018 recommending the funding awards proposed as a result of applying the 40% calculation. The developers have been informed of the amounts their project was to receive to give them the opportunity to withdraw their application.

Thus far, all the developers have accepted the awards recommended except for one.

III. Recommended Awards

A. \$34,352 to the partnership of Mirus & Movin' Out for a 70-unit development on Acewood Blvd. in the City of Madison. The target market will be vets and developmentally disabled persons. The development will have 1, 2 and 3 bedroom units; with 60 offered to persons with income of 30 – 60% of the Dane County Median Income (DCMI) and 10 units at market rate. Eight units will be available for persons with Section 8 Vouchers.. There will be space for a commercial enterprise on the first floor. Other proposed sources of funding are the City of Madison, private financing, FHLB, and WHEDA. Supportive services will be available from Tenant Success Services (in-house program from Movin' Out).

B. \$591,346 to MSP for a 112-unit development with 1,2 and 3 bedrooms on Cottage Grove in the City of Madison. Ninety-five of the units will be targeting persons earning 30-60% of the DCMI with the remaining 17-units available at market rates. Other proposed sources of funding are the City of Madison, private financing, FHLB, and WHEDA. CAC, MUM and Porchlight will be providing supportive services.

C. \$403,200 to Stone House Development to construct an 80-unit building comprised of 1, 2 and 3 bedrooms at 134 South Fair Oaks in the City of Madison. Sixty-eight units will be affordable at the 30-60% DCMI level with 12 available at market rate. Moderate to low income Veterans are the target market. Eight Section 8 Vouchers have been issued for this development. In addition to the usual sources of financing, this project will seek TIF money from the City of Madison. The Road Home will provide supportive services.

D. \$403,513 to the 54-unit building on Tree Lane in the City of Madison to be constructed by CommonBond.. The building contains 1 and 2-units and is targeted toward seniors and vets with 51 units available at 60% or less of the DCMI and 3 units at market rate. This project has funding from the Madison Community Foundation and the WEDC Brownfields Remediation Fund as well the usual funding sources. Supportive services to residents will be provided by CommonBond Advantage Services (an in-house program from CommonBond)..

E. \$300,000 to the Gorman Company for the project on Main Street in Sun Prairie. 50% of the 55 1,2 & 3 bedroom apartments will be available at 60% of the DCMI with the remaining 9 at market rate. Eight Section 8 Vouchers have been issued for this development. Vets and Moderate to low income persons will be targeted. Funding will come from the usual sources with the addition of CDBG funds. Supportive services will come from JFF, Greenpath and DCHS.

F. \$1,043,963 to support the development by Gorman. The 59-units will be constructed on County-owned property on East Washington Avenue in the City of Madison. Of the 59 2 and 3 bedroom units, There will be 50 –units available at 30-60% of the DCMI and 9 available at market rate. Vets are the target market. Dry Hootch (located in the building) and Lutheran Social Services will be providing supportive services. The usual sources of financing are included in this development.

G. \$397,134 to J.T. Klein to partially fund the 73-unit building in Fitchburg (2556 Fish Hatchery Road) targeting 55 and older persons. The units will be 100% affordable with 15 units targeting

those with up to 30% of the DCMI; 13 units reserved for those making up 60% of the DCMI and 45 units reserved for those individuals earning up to 80% of the DCMI. Of the total units, 15 will be reserved for vets or those with permanent disabilities. Supportive services will be available from CAC. Sources of other financing are from the usual providers.

H. The Klein project at Limestone Ridge in Fitchburg was not recommended for funding at this time.

IV. Attachments

1. 2018 Requests
2. Recommended Awards adjusted for 40% calculation

2018 AHDF Requests

Developer	Project	Location	Total Units	Afford Units	Unit Size (BDRS)	Project Costs	AHDFunding Requests	Per Aff Unit
Mirus & Movin' Out	Ace Apts	Madison	70	59	1,2,3	\$ 16,244,483	\$ 500,000	\$ 8,475.00
MSP	Cottage Grove	Madison	112	95	1,2,3	\$ 23,067,605	\$ 591,346	\$ 6,225.00
WI Partnership		Stoughton	4	4	2,3	\$ 671,000	\$ 320,000	\$ 80,000.00
Stone House	Fair Oaks Apts.	Madison	80	68	Studio, 1,2,3	\$ 16,982,000	\$ 750,000	\$ 11,029.00
Movin' Out	Milwaukee at Winnebago	Madison	48	40	1,2,3	\$ 11,610,696	\$ 500,000	\$ 12,500.00
Common Bond	Tree Lane	Madison	54	51	1,2	\$ 11,509,660	\$ 550,000	\$ 10,784.00
Gorman	Main Street	Sun Prarie	64	55	1,2,3	\$ 14,326,421	\$ 300,000	\$ 5,455.00
Gorman	Valor on Washington	Madison	59	50	2,3	\$ 14,765,319	\$ 1,050,000	\$ 21,000.00
J.T. Klein	Oak Ridge	Fitchburg	73	73	1,2	\$ 13,494,251	\$ 500,000	\$ 6,849.00
J.T. Klein	Oak Ridge	Mt. Horeb	40	40	1,2	\$ 7,321,086	\$ 240,000	
J.T. Klein Limestone Ridge		Fitchburg	70 (1) 57 (2)	116	1,2,3 1,2,3	\$ 25,952,677	\$ 1,000,000	\$ 8,621.00
TOTALS			674 (1) 731 (2)	651		\$ 155,945,198	\$ 6,301,346	
Madison	Units	% AHDFunding			%			
	423	58%	\$3,941,346		63%			
Outside Madison	308	42%	\$2,360,000.		37%			

2018 AFDH

Recommended Awards @ 40%

Developer	Developer	Location	Total Units	Unit Size (BDRS)	Project Costs	AHDFunding Request	Funding Recom.
Mirus & Movin'	Ace Apts	Madison	70	1,2,3	\$ 16,244,483	\$ 500,000	\$ 34,352
MSP	Cottage Grove	Madison	112	1,2,3	\$ 23,067,605	\$ 591,346	\$ 591,346
Stone House	Fair Oaks Apts.	Madison	80	Studio, 1,2 3	\$ 16,982,000	\$ 750,000	\$ 403,200
Common Bond	Tree Lane	Madison	54	1,2	\$ 11,509,660	\$ 550,000	\$ 403,513
Gorman	Main Street	Sun Prairie	64	1,2,3	\$ 14,326,421	\$ 300,000	\$ 300,000
Gorman	Valor on Washington	Madison	59	2,3	\$ 14,765,319	\$ 1,050,000	\$ 1,043,963
J.T. Klein	Oak Ridge	Fitchburg	73	1,2	\$ 13,494,251	\$ 500,000	\$ 397,134
J.T. Klein	Limestone Ridg	Fitchburg	70 (1) 57 (2)	1,2,3 1,2,3	\$ 25,952,677	\$ 1,000,000	\$ -
TOTALS			674 (1) 731 (2)		\$ 136,342,416	\$ 5,241,346	\$ 3,173,508
				Units	AHDFunding		
Madison		375	73%	\$ 2,476,374	78%		
Outside Madison		137	27%	\$ 697,134	22%		
Total		512		\$ 3,173,508			