

APPROVING AGREEMENTS AND PURCHASES
SUPPORTING A HOUSING FACILITY
AT 715 RETHKE AVENUE IN THE CITY OF MADISON

Dane County has partnered with the City of Madison to support the expansion of affordable housing in the community. In early 2014, the City of Madison issued a Request for Proposals (RFP) to identify a qualified developer for a supportive housing facility to serve single adults. The City selected Heartland Development of Chicago, Illinois, to complete the project. Heartland made application to the Wisconsin Housing and Economic Development Authority (WHEDA) in 2014 and was awarded a portion of the supportive housing tax credits available. Since that time, Heartland has completed the project development details and secured a tax credit investor to fund the project.

The project will be located at 715 Rethke Avenue in the City of Madison. The total project cost is \$8,950,000. The City of Madison is contributing \$1,350,000 toward these costs and the County, through the agreements approved by this resolution, will contribute \$950,000. Construction is expected to commence in May 2015 and be completed in February 2016. The building will include 60 efficiency style apartments which will be targeted toward chronically homeless individuals. Residents will also be offered supportive services at the site.

Since statutes do not allow the County to make a grant directly to Heartland for development costs, an alternative strategy was developed to allow the County to assist the project. This strategy involves the County purchasing the land where the development will be located and purchasing a portion of the building itself using a condominium arrangement for a non-housing unit on the first floor. The County will purchase these assets and lease them back to Heartland for a nominal annual fee.

THEREFORE BE IT RESOLVED that the County Board authorizes the purchase of two parcels of land at 707 and 709 Rethke Avenue, and the purchase of the condominium unit to be developed by Heartland at 715 Rethke Avenue, and

BE IT FUTHER RESOLVED that the County Board authorizes the lease of the land and the condominium unit to Rethke Washington LLC, and the County Executive and County Clerk are authorized to execute the leases;

BE IT FINALLY RESOLVED that the County Real Estate staff are authorized to execute documents necessary to purchase both the land and the condominium unit, and the Controller is authorized to make payments necessary for these purchases.