

**Department of Administration  
County of Dane, Wisconsin  
Request for Proposal  
Affordable Rental Housing  
Affordable Housing Development Fund  
RFP #119037**

**Due Date:**

**July 18, 2018**

**Prepared by:**

**Mark Hammond  
MSP Real Estate, Inc.  
6234 Maywood Avenue  
Middleton, WI 53562  
612-868-9997**



July 18, 2019

Megan Rogan  
210 Martin Luther King Jr. Blvd  
Room 425 Madison, WI 53703

RE: Affordable Rental Housing Affordable Housing Development Fund  
Bid/RFP #119037

Dear Ms. Rogan,

MSP Real Estate Inc. is pleased to present our application for Dane County's 2019 Affordable Housing Development Fund for our 2020 tax credit application. The development will be 111 units of which 94 will be set aside as affordable housing units.

Our site location at 1212 Huxley Street on Madison's near north side provides a location that has not had any new tax credit developed housing within 1 mile of this site for more than 20 years. This location also provides excellent linkages to transportation, employment and other supportive services assistance for residents that may need additional services—especially 23 units set aside for individuals/families at 30% or less of the county median income. We have in place partnerships for this project from MUM and the Salvation Army each with strong track records of helping to meet Dane County supportive housing objectives.

Our site location provides excellent access to bus service with the North Metro Transfer station located directly across the street. Additionally, this site is adjacent to the Dane County Job Center (which includes the Division of Vocational Rehabilitation), and the Feed Kitchen and Dream Bikes (located next to Dane County Job Center) all have resources/programs to assist individuals in obtaining new job training/skills and employment. MATC (Madison College) campuses located at Truax and Commerical Avenue offer additional job training education that is very close to this site. The Vet Center counseling center is also near this site offering other services for potential future Veteran residents in need of such services.

The construction budget for this development has to address higher land costs found in the City of Madison as well as identified soil issues at this site. Moreover, there is a 2,000 square foot commercial space requirement that will be necessary to secure land use approvals. Finally, the compact urban site requires additional underground parking to ensure its viability, and this parking comes at additional costs as well.

We are hereby requesting \$1,187,550 in Dane County Affordable Housing Funds to ensure the completion of this development. A Dane County Funding Award will allow us to keep our first mortgage debt at levels necessary to meet WHEDA tax credit programmatic requirements and bank underwriting risk tolerance levels. The requested level of Affordable Funding support would equal approximately 4.79% of the total funding sources.

If you have any questions regarding our enclosed application, please don't hesitate to contact me at (612) 868-9997.

We look forward to your response.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Hammond". The signature is fluid and cursive, with the first name "Mark" and last name "Hammond" clearly distinguishable.

Mark Hammond  
Vice President of Development



## **4.1 Required Form – Attachment A – Vendor Information**

**SECTION 5 – REQUIRED FORMS – ATTACHMENT A**

**VENDOR INFORMATION**

<b>VENDOR NAME:</b>	MSP Real Estate, Inc.
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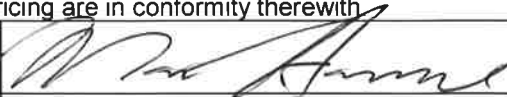
<b>Vendor Information (address below will be used to confirm Local Vendor Preference)</b>			
<b>Address</b>	6234 Maywood Avenue		
<b>City</b>	Middleton	<b>County</b>	Dane
<b>State</b>	WI	<b>Zip+4</b>	53562-2207
<b>Vendor Rep. Name</b>	Mark Hammond	<b>Title</b>	Vice President of Development
<b>Email</b>	mhammond@msphousing.com	<b>Telephone</b>	414-259-2108
<b>Dane County Vendor #</b>	26855		

<b>Fair Labor Practice Certification (check only 1)</b>	
<input checked="" type="checkbox"/>	Vendor has not been found by the National Labor Relations Board ("NLRB") or the Wisconsin Employment Relations Commission ("WERC") to have violated any statute or regulation regarding labor standards or relations in the seven years prior to the date this bid submission is signed.
<input type="checkbox"/>	Vendor has been found by the National Labor Relations Board ("NLRB") or the Wisconsin Employment Relations Commission ("WERC") to have violated any statute or regulation regarding labor standards or relations in the seven years prior to the date this bid submission is signed.

<b>Local Vendor Purchasing Preference</b>	
<b>Are you claiming a local purchasing preference under DCO 25.08(7)?</b>	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes (complete remainder of this section)
<b>Preference as a Dane County Business:</b>	<input checked="" type="checkbox"/> Dane
<b>Preference as a business located in a county adjacent to Dane County:</b>	<input type="checkbox"/> Columbia <input type="checkbox"/> Sauk <input type="checkbox"/> Iowa <input type="checkbox"/> Green <input type="checkbox"/> Dodge <input type="checkbox"/> Rock <input type="checkbox"/> Jefferson

<b>Cooperative Purchasing</b>	
<input type="checkbox"/>	I <u>agree</u> to furnish the commodities or services of this bid to other municipalities.
<input checked="" type="checkbox"/>	I <u>do not agree</u> to furnish the commodities or services of this bid to other municipalities.

<b>Addendums – this vendor hereby acknowledges receipt/review of the following addendums, if any.</b>									
Addendum #1	<input type="checkbox"/>	Addendum #2	<input type="checkbox"/>	Addendum #3	<input type="checkbox"/>	Addendum #4	<input type="checkbox"/>	None	<input checked="" type="checkbox"/>

<b>Signature Affidavit</b>			
<p>In signing this bid, we certify that we have not, either directly or indirectly, entered into any agreement or participated in any collusion or otherwise taken any action in restraint of free competition; that no attempt has been made to induce any other person or firm to submit or not to submit a bid; that this bid has been independently arrived at without collusion with any other bidder, competitor or potential competitor; that this bid has not been knowingly disclosed prior to the opening of bids to any other bidder or competitor; that the above statement is accurate under penalty of perjury.</p> <p>The undersigned agrees to hold the County harmless for any damages arising out of the release of any material unless they are specifically identified on Attachment B. The undersigned, submitting this bid, hereby agrees with all the terms, conditions, and specifications required by the County in this Request for Bid, and declares that the attached bid and pricing are in conformity therewith.</p>			
<b>Signature</b>		<b>Title</b>	Vice President of Development
<b>Name (Printed)</b>	Mark Hammond	<b>Date</b>	7/18/19

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### **4.3 Introduction**

MSP Real Estate specializes in developing and operating senior and multifamily developments in the Midwest. Over the past 30 years, MSP has developed approximately 40 projects in the Midwest and has substantial experience using TIF, tax-exempt bond financing, tax credits, and other financing tools to reposition sites into vibrant communities. We are a long-term owner with a strong track record of getting complicated projects across the finish line and exceeding expectations in the communities in which we work. Please review more detailed information below in section 4.4.

#### **Overview Proposed Development**

The proposed development is a 111-unit multifamily and senior independent living affordable rental development that is located at 1212 Huxley Street in Madison, Wisconsin. The 111 units will include 17 market rate and 94 income-restricted units in two four-story elevator buildings with underground garage parking. The property also features 16 3-BR townhomes. This development will provide a much-needed housing option to the near north side of Madison to assist in the city's commitment to enhance the number of affordable housing options to the residents of Madison. There will be two buildings, one consisting of a 61-unit senior building where one member of a household is 55+ and will contain a mixture of 1- and 2-bedroom apartments. The other building will be a 50-unit workforce multifamily building and will contain 1- and 2-bedroom apartments along with 3 bedroom townhouses. There will also be at least 2,000 square feet of commercial space in the multifamily building.

Twenty-three of the subject's income restricted apartment units will provide supportive housing options for persons formerly incarcerated, veterans, and/or homeless/nearly homeless persons. Residents of these units will have supportive services provided by the Dane County Veterans Service, Salvation Army and Madison-Area Urban Ministry. The rent for these units will be set at the 30% CMI level.

The subject is to be constructed on an infill site located in an established neighborhood and generally requires minimal infrastructure improvements. The site offers a good walk score with good linkages to the surrounding community and the needs of an elderly/family development. See Section 4.5 for more detailed information about this project.

## **MSP COMPANIES**

**REAL ESTATE**

**CONSTRUCTION**

**DEVELOPMENT**

**PROPERTY MANAGEMENT**

**HERITAGE SENIOR LIVING**

#### **4.4 Development and Service Team Background**

***MSP is a multifaceted real estate company with offices in Mendota Heights, Minnesota and in Madison and West Allis Wisconsin*** that offers a full spectrum of real estate services including site acquisition, brokerage, development, construction, property management and asset management.

- MSP Real Estate was founded in 1988 by Milo Pinkerton, whose 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. The current portfolio includes 2,400 units of affordable and market rate housing, senior independent housing and assisted living and memory care housing in three states, Wisconsin, Minnesota and Indiana.

In August 2015, MSP acquired a 6-building office park in Mendota Heights, Minnesota, adding 420,000 square feet to our growing portfolio.

- MSP Real Estate Company has become one of the Midwest's leading developers of senior housing communities. To date, we have developed over 1,900 units of senior housing in 20 communities in Wisconsin and Minnesota. The development arm of MSP Real Estate has focused on senior housing campuses that provide a continuum of care for its residents. These communities consist of mixed-income independent senior apartments, assisted living, and memory care. In addition, we specialize in Section 42 Affordable Housing Tax credit and market rate developments. MSP has also developed over 450 units of affordable multifamily units throughout the Midwest.
- MSP Construction, Inc. is responsible for general contracting services for MSP developments. Acting as our own General Contractor allows us to save costs and ensure quality on our development projects.
- MSP Property Management, LLC was formed in 2006 to provide professional property management services to its affordable housing and market-rate housing portfolio in Minnesota and Wisconsin.
- Heritage Senior Living was founded in 2000 and has become an industry leading manager of assisted living and memory care communities. Heritage Senior Living's vision is to complement MSP's current portfolio of independent senior apartments by creating a series of assisted/memory care campuses that allow residents to age in place.

We are fully committed to improving the design of our housing by providing better products and services for the people we serve.



# Overview

## MSP Real Estate, Inc.

MSP Real Estate, Inc. (MSPRE) and its subsidiaries Heritage Senior 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 City of Madison and Dane County Affordable Housing Funds, TIF, HOME Funds, Federal Home Loan Bank funding, CBDG and Metropolitan council grants. MSPRE has extensive knowledge of real estate development gained over the past 30 years.

## MSP Development

### Senior Housing Development

MSP has become one of the Midwest’s leading developers of senior housing communities, ranking 70th in the nation’s largest providers of senior housing. To date, we have developed over 1,900 units of senior housing in 20 communities in Wisconsin and Minnesota. MSPRE has developed senior condominiums, independent apartments, assisted living and memory care housing.

Over the past 10 years, MSPRE has focused on developing senior housing campuses that provide a continuum of care for its residents. These communities consist of mixed-income independent senior apartments, assisted living and memory care residences.



## Overview

### Affordable Housing Development

MSPRE specializes in Section 42 Affordable Housing Tax credit development. To date, MSPRE has received over \$20 Million in tax credit allocations in three Midwestern states. This portfolio consists of over 1,000 units of senior housing and approximately 580 units of family housing.

MSPRE has experience developing properties using both 9% tax credits and 4% tax credits with tax exempt bond financing.

### Market Rate Housing 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).



### MSP Acquisitions

In 2015 MSP acquired the Mendota Heights Business Center in Mendota Heights, MN. With this acquisition of this 6-building office center MSP added 420,000 square feet of office space to the portfolio. In 2018, MSP acquired the West Bloomington Business Center and added an additional 80,000 of office to the portfolio.



## Overview

### Heritage Senior Living

Founded in 2000, Heritage Senior Living is an industry leading manager of assisted living and memory care communities. Today we own and operate sixteen communities in Wisconsin totaling over 1,068 units. We are one of the fastest growing Assisted Living companies in the region and now employ over 675 people.



### MSP Construction

MSP Construction, Inc. is responsible for general contracting service for MSP developments. Acting as our own General Contractor allows us to save costs and ensure quality on all our development projects.

In 2012 MSP Construction built over 330 units with construction projects costs totaling over \$38 Million. MSP Construction has constructed over \$140 Million since our first project in 2002.

Since 2015 MSP construction has completed 5 new projects, with construction costs totaling over \$80 Million.



### MSP Property Management

MSP Property Management, LLC (MSPPM) was formed in 2006 to more fully service its affordable housing and market-rate housing in Minneapolis and Northwest Wisconsin. MSPPM currently manages over 600 units in 6 locations.

### Milo Pinkerton, President

**Milo has developed more than 2500 units spanning over 30 years.**

Milo's unique background of architecture, finance, real estate and construction has enabled MSP projects to be of consistent high quality, on time and on budget.

Milo 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.

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

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



## Management Team

### Mark Hammond, Vice President of Development

**Mark Hammond, as Vice President of Development,** leads all real estate development activities and assists the company in identifying and overseeing legal issues in other core business units.

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

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.



### Lars Johnson, Chief Financial Officer



**Lars Johnson, as Chief Financial Officer** has over seventeen years of accounting experience in the health care industry. He was formerly the Vice President of Finance at Southview Senior Communities located in the Minneapolis / St. Paul area. His background includes health maintenance organization, financial analysis and accounting. In addition, he spent nearly a decade in public accounting working with clients on financial modeling, strategic planning, feasibility studies and serving clients as an interim CFO/Controller.

Lars holds a Bachelor of Arts degree in business administration and a Masters of Business Administration from the University of St. Thomas. He is an active CPA licensed by the Minnesota Board of Accountancy. He is a member of the American Institute of Certified Public Accountants (AICPA) and the Minnesota Society of Certified Public Accountants (MNCPA.) He has also served Care Providers of Minnesota as both a board member and on the reimbursement committee.

## **Brian Martin, Vice President of Asset Management**

**Brian Martin, as Vice President of Asset Management** combines the functions of asset management and property management into one role. He is responsible for the following areas of operations for MSP Property Management and Heritage Senior Living:

- Property Management
- Asset Management
- Maintenance
- Information Technology



Brian has been in Real Estate Management for over 11 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**

Ben is responsible for overseeing the companies' senior housing and affordable apartment construction from conception 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.

#### 4.4 (1) Team experience obtaining and utilizing Section 42 credits

As our Tax Credit project lists demonstrate below since 1991 MSP Real Estate has secured awards for tax credits for 25 total projects in the Midwest:

- 16 elderly projects that have provided over 1,040 units of senior housing
- 9 family projects that have (or will) provide over 580 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>
<b><i>Normandy Square Apartments , Madison</i></b>	<b>58</b>	<b>Bank</b>	<b>August 2019</b>
<b><i>Middleton Senior Apartments, Middleton</i></b>	<b>56</b>	<b>Bank</b>	<b>October 2012</b>
<b><i>New Berlin Senior II, New Berlin</i></b>	<b>34</b>	<b>Bank</b>	<b>Dec. 2012</b>
<b><i>Chippewa Senior Apartments II, Chippewa Falls</i></b>	<b>24</b>	<b>HOME</b>	<b>October 2011</b>
<b><i>West Allis Senior Apartments, West Allis</i></b>	<b>122</b>	<b>WHEDA Bond</b>	<b>April 2009</b>
<b><i>Monona Senior Apartments, Monona</i></b>	<b>88</b>	<b>WHEDA Bond</b>	<b>Sept. 2009</b>
<b><i>Lincoln Village, Port Washington</i></b>	<b>49</b>	<b>Bank</b>	<b>Dec. 2002</b>
<b><i>Homestead Village, Chippewa Falls</i></b>	<b>48</b>	<b>Bank</b>	<b>February 2000</b>
<b><i>Deer Creek Village, New Berlin</i></b>	<b>145</b>	<b>Bank</b>	<b>October 2001</b>
<b><i>Silver Creek Village, Glendale</i></b>	<b>65</b>	<b>WHEDA Bond</b>	<b>August 2000</b>
<b><i>Lexington Village, Greenfield</i></b>	<b>120</b>	<b>Bank</b>	<b>Dec. 1998</b>
<b><i>Silver Lake Pointe, Moundsview MN</i></b>	<b>83</b>	<b>Bank</b>	<b>Sept. 1995</b>
<b><i>Courtyard, West Allis</i></b>	<b>63</b>	<b>Bank</b>	<b>Sept. 1995</b>
<b><i>Mill View, Kiel</i></b>	<b>24</b>	<b>Rural Development</b>	<b>March 1995</b>
<b><i>Station House, Antigo</i></b>	<b>40</b>	<b>Rural Development</b>	<b>1991</b>
<b><u><i>Village Plaza, Paddock Lake</i></u></b>	<b><u>24</u></b>	<b><u>Rural Development</u></b>	<b><u>1991</u></b>
<b>Total Completed</b>	<b>985</b>		
<b>Total in Progress</b>	<b>58</b>		
<b>Total Units</b>	<b>1,043</b>		

**TAX CREDIT Family (Section 42) APARTMENTS**

<b><u>Project Names/ Locations</u></b>	<b><u>Units</u></b>	<b><u>Financing</u></b>	<b><u>Completion Date</u></b>
<b>The Grove, Madison</b>	<b>112</b>	<b>Conventional</b>	<b>September 2020</b>
<i>The Landing, Chippewa Falls</i>	40	Conventional	June 2016
<i>Meadow Ridge Apartments, Waukesha</i>	70	Conventional	October 2014
<i>New Berlin City Center, New Berlin</i>	102	Conventional	December 2012
<i>Silverlake Commons, Moundsview, MN</i>	50	MHFA	Feb 1999 Sold 2017
	50		April 1997
<i>Cityside Townhomes, Marshall, MN</i>		MHFA	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	Conventional	Aug. 1995 Sold 2013
<b>Total Completed</b>	<b>472</b>		
<b>Total in Progress</b>	<b>112</b>		
<b>Total Units</b>	<b>584</b>		



#### **4.4 (2) Team experience in public/private joint ventures**

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

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

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



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

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

In 2008 and 2012 Heritage Monona a two phase senior housing campus 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: Bryan Gadow – City Admin/ Economic Development Director (608)222-2525



(Main Entrance to Monona Senior Campus)

### **Middleton Independent Tax Credit and Heritage Assisted Living and Memory Care**

2012- Heritage Middleton a 135 unit senior housing campus developed at a vacant sentry store in Middleton, WI. MSP put the site under contract in 2011 and worked with the City to help remove an eyesore on the gateway to Madison through Middleton. The site required 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



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

### **Heritage Elm Grove – Assisted Living/Memory Care**

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

Contact Information- David DeAngelis- Village of Elm Grove Administrator- 262-782-6700



(Main Entrance Heritage Elm Grove)

**City Center New Berlin** consisting of City Center at Deer Creek, Heritage at City Center and City Center at Deer Creek Phase II. City Center Phase I consists of 3 (34) unit mixed income apartment buildings. The \$22,000,000 first phase is 85% tax credit affordable and 15% market rate. The project opened 100% pre-leased. Heritage at City Center was also constructed in 2012 and features 34 units for seniors. The project has a similar affordable component and like the general occupancy apartments opened 100% pre-leased. The great success of our first phase led us to start construction of a second phase of 75 apartments in December 2013. This project is 80% market rate and 20% affordable and features 1, 2 and 3 bedroom units.

Contact Information: Greg Kessler- Director of Community Development 262-797-2445



#### **4.4(3) Team experience developing multifamily housing for low-income households**

As indicated in our staff profiles, our current team has a unique blend of experience and educational background with low income multifamily and senior housing developments:

- Milo Pinkerton has long term expertise and success with this unique development program. Over the past 30 years, Milo has developed a reputation for high integrity and delivering results to partners and other stakeholders.

MSP Real Estate has a team of seasoned real estate development professionals with a combined 69 years of direct housing and/or real estate development experience. This means that we not only

bring deep knowledge and experience, but also have ample staffing to provide dedicated project management to each new project under development.

<u>Team Member</u>	<u>Years of Tax Credit / Housing Experience</u>
Milo Pinkerton	30
Jim Rodgers	24
Mark Hammond	8
Danny DiFrancesco	7

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

- Outside Legal Counsel:  
Foley & Lardner (Madison, WI) - Wayman Lawrence & Katie Rist
- Accounting:  
SVA (Madison, WI) – Glen Weyenberg, Mike Kendhammer
- Architecture:  
Dimension IV (Madison, WI) – Jerry Bourquin
- Engineering:  
CJ Engineering (Milwaukee, WI) – Chris Jackson

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

Over the last three years we have developed two deals in Madison and one in Wauwatosa, WI with 85% of the unit mix targeted for affordable households.

**Normandy Square Senior Apartments, 6509 Normandy Lane, Madison WI (Opening August 2019)**



58 Total Units

48 Affordable Units (12-30% 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 (Opening August 2020)**



112 Total Units  
 95 Affordable Units (23-30% Supportive Units, 1-40% Unit)

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.

**Riverview Parkway Apartments and Townhomes, 6400 Riverview Parkway Wauwatosa, WI**  
**(Opening Est. June 2021)**



136 Total Units

92 Affordable Units (24-30% Supportive Units)

Source	Amount	Comments
2019 LIHTC Tax Credits Awarded by WHEDA	\$1,550,000	Awarded credits 2019
Chicago FHLB Grant	\$900,000	Applied for June 14, 2019, award notification will be Dec 2019
TIF Application City of Wauwatosa	\$1,890,000	Application submitted June 17, 2019



#### **4.4 (4) Developing permanent supportive housing**

While MSP Development has not designed developments solely as a permanent supportive housing model we have incorporated supportive service partnerships with past developments like 'The Grove' proposal. These developments set aside a portion of the building's apartments for homeless individuals or those with disabilities, and then services are offered in order to support these residents housing stability.

#### 4.4 (5) Property Management

##### MSP Property Management



1295 Northland Drive Ste 270  
Mendota Heights MN 55120

6234 Maywood Avenue  
Middleton WI 53562

952-351-4540  
952-935-7202

608-831-7004  
608-359-9493

[www.msphousing.com](http://www.msphousing.com)

List of MSP Property Managed Properties: 6 Senior and 4 Family projects.

Project Name	Location	Number of Units	Senior/Family	Tax Credit Yes/No
New Berlin Senior II	New Berlin WI	34	Senior	Yes
Chippewa Senior II	Chippewa Falls WI	24	Senior	Yes
Homestead Village	Chippewa Falls WI	48	Senior	Yes
Silver Creek Village	Glendale WI	65	Senior	Yes
Lexington Village	Greenfield WI	120	Senior	Yes
Courtyard	West Allis WI	63	Senior	Yes
Meadow Ridge	Waukesha WI	70	Family	Yes
New Berlin City Center	New Berlin WI	102	Family	Yes
The Landing	Chippewa WI	40	Family	Yes
Central Pointe	New Berlin WI	75	Family	No
<b>Total</b>		<b>641</b>		

MSP Property Management and Heritage Senior Living Management have their accounting staff located at offices located in Mendota Heights, MN with property management staff located in offices in Madison and West Allis, WI. We do have a strong local presence in Dane County through our senior campuses that we developed, own, and manage in Middleton and Monona, and many of our construction suppliers and subcontractors are based out of Dane County.

MSP Property Management, LLC (MSPPM) was formed in 2006 to provide professional property management services to its affordable housing and market-rate housing portfolio in Minnesota and Wisconsin. MSPPM currently manages over 640 units in 6 locations throughout Wisconsin. In 2017, 3 family properties (130 units) were sold in Minnesota that MSPPM also managed.

**MSP Property Management**, will be the property manager of record for RFP: #119037

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

#### Staff knowledge of program requirements –

All team members are kept up to date on any State or Federal Policy changes and Compliance Department attends Training on a regular basis according to the needs of the State Agency and their recommendations. Property management staff do attend WHEDA compliance seminars on an as needed basis.

#### Staff stability–

All properties and departments are staffed according to pro forma, unit count and state recommendations. Our human resource department has the designated position of 'Recruiter' for all our management company staffing needs when employment vacancies need to be filled.

#### Processing certifications and recertifications –

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

#### Fees current or past due–

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

#### Tenant files completeness and organization –

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

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

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

## Compliance History-Number and quality of 8823's issued

MSP Property Management has been managing affordable and market rate housing since 2006. Heritage Senior Living Management has been managing assisted living, memory care and independent affordable senior housing since 2000. **In the past 5 years there have only been a few minor tenant file issues that required resolution related to missing documentation only. No substantial reportable recapture of credit issues has ever been reported on these managed properties to the IRS.** Each state has their own standards of practice on when/why to issue an 8823's but we have experienced the same results with our Minnesota based properties that interface with the Minnesota Housing Authority. (These properties sold in 2017.)

Liz Johnson, our area property manager has multiple years' experience with tax credit compliance. She continually monitors the site staff for tax credit compliance and reporting requirements as mandated by the Wisconsin Housing Economic Development Authority.

Our third party consultant, Becky Haag, Compliance Specialists (21 years' experience) reviews ALL tenant files for tax credit compliance as well as recertification compliance.

MSP Property Management provides all property management functions including Tax Credit certification, recertification, ongoing compliance, all accounting functions, day to day management and maintenance. MSP Property management has grown in size and oversight starting with 66 units in 2 projects in 2006 to over 640 units in 10 projects in Wisconsin in 2018. We did sell 3 multifamily properties comprising 130 total affordable family units in Minnesota in 2017 that were also managed by MSP Property Management.

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.

Brian Martin, Jim Rodgers and Liz Johnson have over 37 plus years combined Asset Management and Property management experience. They monitor monthly reports related to rent collection, occupancy, budget to actual costs, leasing status, work orders and tax credit compliance, along with addressing ongoing inspections and reporting for state and lender requirements. Most of our sites are then staffed with on-site managers and maintenance staff dependent on needs of individual properties.

We have within the MSP Property Management and Heritage Senior Living management umbrella 19 full time maintenance staff to take care of the day to day physical plant operations for all our properties.

#### **4.4 (6) Provisions for Supportive Services if the project entails permanent supportive housing**

MSP is committed to identifying the right service providers to meet the objectives of the funding source whether it be city, county or federal tax credit funding that requires a supportive housing component to the development.

Our 1212 Huxley site does provide supportive services through our supportive service partners and case management. Those supportive services are in place to increase the independence and long term housing success of the individuals/families receiving this assistance. That assistance however would not be classified as permanent.

## 4.5 Project Description

The proposed development, located at 1212 Huxley Street Apartments is a 111 unit project that contains 94 units (85%) of affordable senior and workforce (family) housing in two buildings. The 61 unit senior (one member of household 55+) building will contain a mixture of 1 and 2 bedroom units in a 4 story building. The 50 unit workforce multifamily building will contain a mixture of 1, 2 bedroom apartments and 3 bedroom townhouse units also in a 4 story building. At least 2,000 square feet of commercial space will also be located in the multifamily building. 23 of the units will be further segmented for individuals and families at the 30% CMI Limit. 1212 Huxley Street will provide much needed affordable work force & senior housing to this near northside location that has not had any new affordable development within a mile of this location since the the late 1990's when Sherman Glen Senior apartments was built less than 1/2 mile away.

1212 Huxley Street is situated near the corner of Aberg Avenue and Huxley Street on Madison's near north side. It is next door to the Dane County Job center and across the street from the Metro Transit North Transfer Point.





Transit 7 day bus routes are located right across the street at North Madison Metro transfer point. The following bus routes are available there: 02, 04, 17, 20, 21, 22, 27, 28, 56 & 57.

The site is located in the Sherman neighborhood which is a convenient walkable, bikeable neighborhood.

All the amenities of daily living are within a mile of this location: Lakeview Library, Willy St. Coop North & Pick N Save grocery stores, Banks, Pharmacy, Sunday morning Northside Farmers Market, Mallards Baseball, Warner Park and many popular businesses and restaurants. T

he Dane County Regional Airport and the interstate are also easy access points from this site. Predominantly single-family and small multi-unit buildings reside in this neighborhood.

Sherman Middle School and Shabazz High School are within the neighborhood boundaries and the Madison Area Technical College campus is nearby at 1.4 miles away.

111 units will include 17 market rate and 94 income-restricted units. The apartments will target residents with incomes at or below 30% to 60% of the county median income with rents ranging from \$516 to \$1,190 dollars for the rent restricted units.

**3 bedroom units:** The project will contain 3 – three bedroom 30% units and 13 – three bedroom 50% units, for a total of 16 3-BR units.

**Affordability Period:** The project will have a minimum 30-year affordability period.

The rent and utility allowance for each unit is as follows: (Square footages are estimates only)

Projected Rents						
	# UNITS	RENT/UNIT	SQ FT	UTILITY ALLOWANCE	NET	GROSS
1 BR-30% Senior	6	\$565	650	\$49	\$516	\$565
1 BR-30% Family	6	\$565	650	\$83	\$482	\$565
1 BR-50% Senior	17	\$941	680	\$49	\$892	\$941
1 BR-50% Family	9	\$941	680	\$83	\$858	\$941
1 BR-60% Senior	13	\$1,038	680	\$49	\$989	\$1,038
1 BR-60% Family	3	\$1,050	680	\$83	\$967	\$1,050
1 BR-MKT Senior	1	\$1,075	680	\$0	\$1,075	\$1,075
1 BR-MKT Family	1	\$1,075	680	\$0	\$1,075	\$1,075
2 BR-30% Senior	4	\$678	960	\$62	\$616	\$678
2 BR-30% Family	4	\$678	960	\$99	\$579	\$678
2 BR-50% Senior	2	\$1,130	960	\$62	\$1,068	\$1,130
2 BR-50% Family	2	\$1,130	960	\$99	\$1,031	\$1,130
2 BR-60% Senior	9	\$1,250	960	\$62	\$1,188	\$1,250
2 BR-60% Family	3	\$1,250	960	\$99	\$1,151	\$1,250
2 BR- MKT Senior	9	\$1,375	1,100	\$0	\$1,375	\$1,375
2 BR- MKT Family	6	\$1,375	1,100	\$0	\$1,375	\$1,375
3 Bedroom-30% Family	3	\$783	1,222	\$115	\$668	\$783
3 Bedroom-50% Family	13	\$1,305	1,222	\$115	\$1,190	\$1,305
TOTAL UNITS	111					
<b>LIHTC UNITS</b>	94	84.68%				

The proposed development costs and funding sources are as follows: (The Dane County Affordable Housing Development funds would be used to fund hard construction costs for the development).

1. USES	TOTAL	2. SOURCES	
=====	COST	=====	
LAND/SITE UTILITIES	1,500,000	FIRST MORTGAGE	6,675,000
SITE WORK	200,000	DANE COUNTY FUNDS	1,137,550
CONSTRUCTION @	17,330,422	DANE COUNTY FUNDS – SOLAR REIMBURSEMENT	50,000
50 kW SOLAR ARRAY	101,725	CITY OF MADISON 50% AHF	975,000
CONTINGENCY	861,607	CITY OF MADISON 50% AHF	975,000
ARCHITECT/ENGINEER	365,300	DEFERRED DEVELOPER FEE	925,575
INTERIM/CONSTRUCTION	1,000,000	TAX CREDIT PROCEEDS	13,121,033
PERMANENT FINANCING	146,750	FHLB	900,000
SOFT COSTS	385,500		
SYNDICATION COSTS	9,500		
DEVELOPMENT FEE & OH	2,208,354		
RESERVES/LEASE-UP	650,000		
<b>TOTAL USES</b>	<b>24,759,158</b>	<b>TOTAL SOURCES</b>	<b>24,759,158</b>



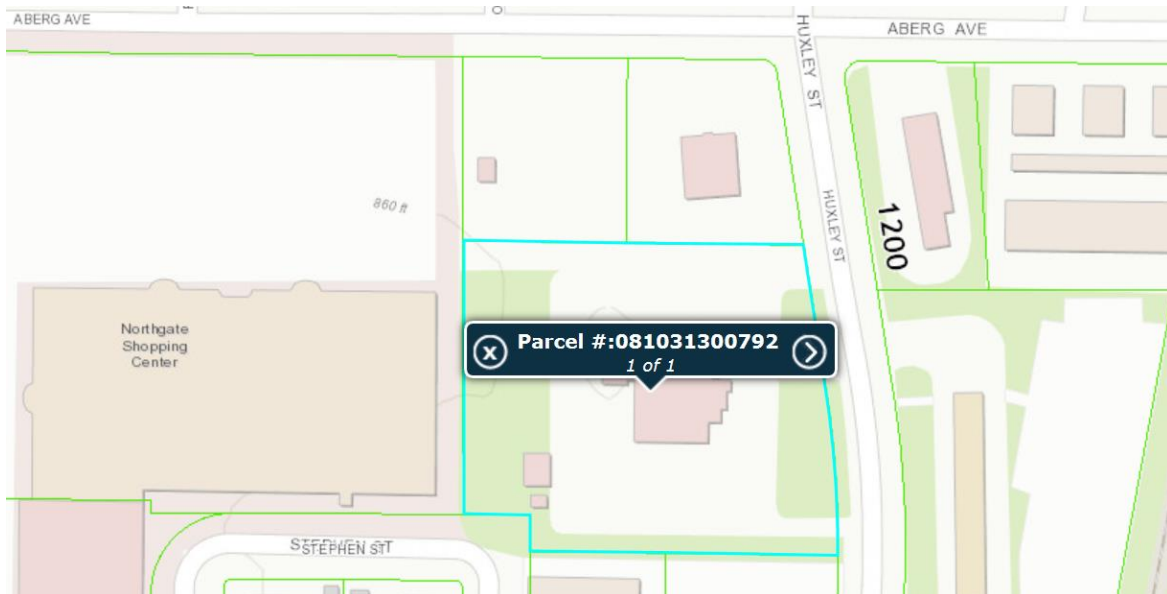
The proposed development proforma will contain a small amount of commercial rental income, (a requirement of the City of Madison zoning requirements) and underground parking income.

	<b>STABILIZED</b>				
	2022	2023	2024	2025	2026
	----	----	----	----	----
GROSS RENTAL INCOME	\$1,280,208	\$1,305,812	\$1,331,928	\$1,358,567	\$1,385,738
OCCUPANCY	93%	93%	93%	93%	93%
	-----	-----	-----	-----	-----
NET RENTAL INCOME	\$1,190,593	\$1,214,405	\$1,238,693	\$1,263,467	\$1,288,737
RETAIL SPACE (\$10/SF NNN)	\$20,000	\$20,400	\$20,808	\$21,224	\$21,649
STORAGE UNIT	\$0	\$0	\$0	\$0	\$0
PARKING	\$21,870	\$22,307	\$22,754	\$23,209	\$23,673
	-----	-----	-----	-----	-----
EFFECTIVE GROSS INCOME	\$1,232,463	\$1,257,113	\$1,282,255	\$1,307,900	\$1,334,058
REAL ESTATE TAX	(\$163,725)	(\$168,637)	(\$173,696)	(\$178,907)	(\$184,274)
OPERATING EXPENSE @	(\$445,887)	(\$459,264)	(\$473,042)	(\$487,233)	(\$501,850)
ANNUAL REPLACEMENTS	(\$33,300)	(\$34,299)	(\$35,328)	(\$36,388)	(\$37,479)
<b>NET OPERATING INCOME</b>	<b>\$589,551</b>	<b>\$594,913</b>	<b>\$600,190</b>	<b>\$605,373</b>	<b>\$610,455</b>
D C R - FIRST	1.31	1.32	1.33	1.34	1.35
D C R - FIRST & SECOND	1.18	1.19	1.20	1.21	1.22

Since 50% of the City of Madison Affordable Housing Funds (Source Table prior page) require a fully amortizing loan payment the debt coverage ratio on the First Mortgage Debt and the Second Mortgage Debt combined (City of Madison 50% AHF) is below the WHEDA program minimum parameters regarding debt service coverage ratio (1.175). Therefore, the Dane County Funds allow the development to reduce its debt service load and assist the development achieving the minimum debt parameters established by WHEDA tax credit programmatic requirements in a more timely manner. This reduced debt service load also allows for lender loan approvals for the project as the proforma indicates adequate cash flow to provide adequate debt coverage above needed risk tolerance levels typically above 1.15 to 1.20 for the majority of the lending community in the third year of the proposal.

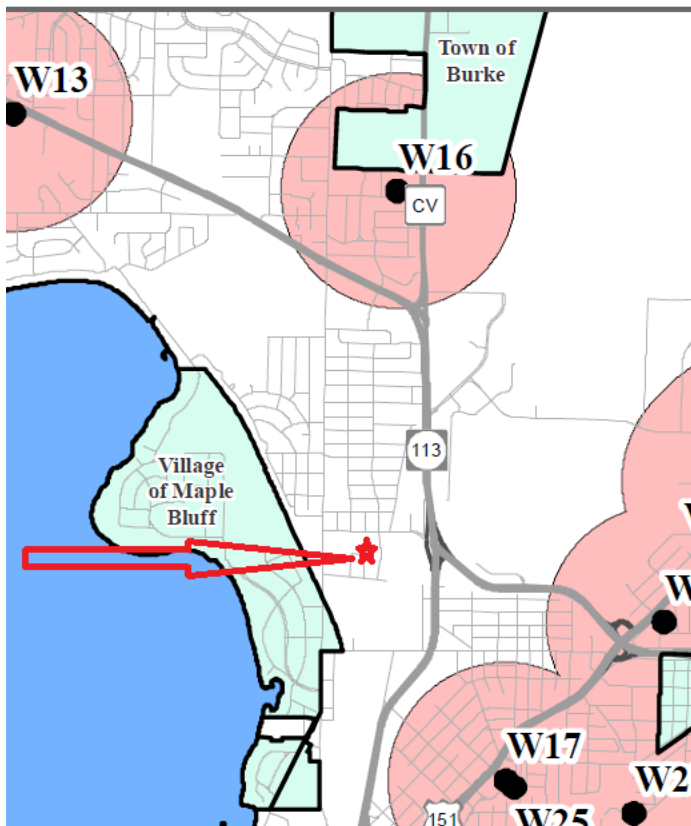
#### 4.5.1 Project location

This project is located at 1212 Huxley Street. Parcel Number: 081031300792



According to map found in Section 5 – Attachment D Affordable Housing Development Sites- this site is located in an area more than one-half mile from identified existing affordable housing and therefore is eligible for 10 points under the Dane County RFP scoring criteria.

#### SECTION 5 - ATTACHMENT D



#### 4.5.2 Photo Voltaic Array

An array of PV solar panels will be installed on the roof(s) at 1212 Huxley Street. Minimum expected energy generation sizing will be in a range between 50kW and 100kW systems. Ultimate sizing will be based on end costs and payback considerations yet to be determined by other potential grants not yet awarded, but minimum sizing is expected to be a 50kW Solar array.

We will also install 3 EV ready plug in stalls in the underground parking area.

Proposed Solar Equipment for a 50 kW system is as follows:

<b>Proposed Solar Equipment:</b>	
Solar Modules:	(152) 72 Cell Tier 1 330W
Inverter:	SolarEdge + DC Optimizers
Racking:	Ballasted Non Penetrating
Monitoring:	Inverter-integrated

Proposed Solar Equipment for a 100 kW system is as follows:

<b>Proposed Solar Equipment:</b>	
Solar Modules:	(304) 72 Cell Tier 1 330W
Inverter:	SolarEdge + DC Optimizers
Racking:	Ballasted Non Penetrating
Monitoring:	Inverter-integrated

Proposed production capacity, estimate of the number of kilowatt hours of conventional electricity the system is expected to displace and cost are as follows:

System Size	50 kW Solar Array	100 kW Solar Array
Production Capacity Year 1	62,334 kWh	124,305 kWh
kWh Displaced Year 1	62,334 kWh	124,305 kWh
Cost	\$101,725	\$189,204

According to SunVest Solar a 50kW-DC Solar Array will save an estimated \$302,000 in energy costs over a period of 30 years. A 100 kW-DC Solar array will save an estimated \$608,000 in energy costs over a period of 30 years.

#### 4.6 Project Financing and Leverage

The proposed development costs and funding sources are as follows: (The Dane County Affordable Housing Development funds would be used to fund hard construction costs for the development).

1. USES	TOTAL	2. SOURCES	
=====	COST	=====	
LAND/SITE UTILITIES	1,500,000	FIRST MORTGAGE	6,675,000
SITE WORK	200,000	DANE COUNTY FUNDS	1,137,550
CONSTRUCTION	17,330,422	DANE COUNTY FUNDS – SOLAR REIMBURSEMENT	50,000
50 kW SOLAR ARRAY	101,725	CITY OF MADISON 50% AHP	975,000
CONTINGENCY	861,607	CITY OF MADISON 50% AHP	975,000
ARCHITECT/ENGINEER	365,300	DEFERRED DEVELOPER FEE	925,575
INTERIM/CONSTRUCTION	1,000,000	TAX CREDIT PROCEEDS	13,121,033
PERMANENT FINANCING	146,750	FHLB	900,000
SOFT COSTS	385,500		
SYNDICATION COSTS	9,500		
DEVELOPMENT FEE & OH	2,208,354		
RESERVES/LEASE-UP	650,000		
<b>TOTAL USES</b>	<b>24,759,158</b>	<b>TOTAL SOURCES</b>	<b>24,759,158</b>

MSP is committed to installing the 50 kWh PV solar panel system at 1212 Huxley Street. If there are construction savings or additional funds, MSP will strongly consider upgrading the PV solar panels to the 100 kWh system. We hereby request Dane County grant funding consideration of \$50,000 for installing the 50 kWh PV solar panel system.

Regarding the sources:

Source	Amount	Percentage of Total Project Cost
Investor Equity	\$13,121,033	52.99%
First Mortgage	\$6,675,000	26.96%
City of Madison AHP Funds	\$1,950,000	7.88%
FHLB – AHP	\$900,000	3.64%
Dane County Funds	\$1,137,550	4.59%
Dane County Funds – Solar Reimbursement	\$50,000	0.20%
Deferred Developer Fee	\$925,575	3.74%
Total Sources	\$24,759,158	100%

Our proforma is projecting an estimated tax credit equity amount of \$13,121,033 based on current equity pricing in the tax credit marketplace. This projected equity is subject to

potential changes (positive or negative) in tax credit market pricing until the time of firm commitment not expected to occur until late 2020 or early 2021.

Supportable first mortgage debt amount of \$6,675,000 can be achieved based on projected operating income and expenses of the development.

An RFP application was submitted on June 27, 2019 to the City of Madison Affordable Housing Funds for \$1,950,000. We expect to be notified of City of Madison Affordable Housing Funds awarded to this development by late October 2019. There is no guarantee our award will be approved nor approved at the amount we requested.

We anticipate applying for \$900,000 Chicago FHLB – Affordable Housing Program funds next June 2020. FHLB Chicago will announce those awards in December 2020.

Our deferred development fee represents 41.91% of the total development fee for this proposal.

We are requesting \$1,137,550 in Dane County Affordable Housing Funds or \$7,584 for each of the 150 affordable bedrooms and \$50,000 for the 50 kWh PV solar system in this development to fully ensure the completion of this development from the unknowns that remain in construction costs, tax credit equity pricing, changes in bank debt interest rates and our ability to secure an award of funding from FHLB. This level of affordable funding support would equal approximately 4.79% of the total funding sources. This level of county support will ensure that 15 – one bedroom and 8 – three bedroom 30% CMI units along with 8 – three bedroom 50% units are constructed to further advance the affordable housing goals of Dane County.

We have designed the project to include the largest possible number of affordable units attainable with all of the proposed funding sources (including the 23-30% units). The Dane County Affordable Housing Funds will enhance the project's ability to reduce the first mortgage debt and provide a greater number of deeper rent subsidized LIHTC units. This proposal will provide 23 apartments at the 30% CMI rent and income restriction level. Twelve 1- bedroom, eight – 2 bedroom, and three – 3 bedroom units at 30% CMI are proposed. The County funding helps offset costs associated with coordinating the set aside units for our targeted populations as well as coordinating the support services.

## 4.7 Fair Tenant Selection

We hereby agree to apply the County's Fair Tenant Selection Criteria for the five to eight (5-8) 30% units that we are setting aside for referral from the Salvation Army through its DAWN and RISE programs. Based on the Salvation Army's track record for excellent outcomes for folks that are referred through that program (91-92% permanent housing retention rate), we are comfortable applying the County's Fair Tenant Selection Criteria for these 5-8 units and that we can ensure the development is successful.

For the remaining 30% units at the project, we will apply our "B" screening criteria. For these 30% targeted 'supportive housing' units ONLY MSPPM 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 MSPPM 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.

Alternative 'B' Tenant Screening Tool for 1212 Huxley Street (Madison WI):

### 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**

<b>CRIMINAL RECORDS</b>				
<b>Offenses</b>	<b>Felony (Years)</b>	<b>Misdemeanor (Years)</b>	<b>Patterns of Misdemeanors</b>	<b>Return Records</b>
1) Alcohol Related	7	0		<b>ALWAYS</b>
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		



#### **4.8 Tenancy Addendum**

MSP Real Estate agrees to all of the provisions as outlined in Attachment G Tenancy Addendum for all units in the development to be located at 1212 Huxley Street.

## 4.9 Housing First

MSP Real Estate, Inc. has partnered with the Salvation Army to provide supportive services for homeless/risk of homeless individuals/families for 5 to 8 apartments at 1212 Huxley Street. These referrals will come from the community by-name list that is managed by the Coordinated Entry Systems Manager of the Homeless Services Consortium of Dane County.

The Salvation Army will refer individuals and families that it provides assistance to under programs called Dane County Assists With New Starts (DAWNS) program and RISE Program. Individuals and families transitioning from homelessness to housing can be offered a rapid rehousing package through the DAWNS and RISE programs.

MSP Real Estate, Inc will include a preference for tenant referrals from the DAWNS and RISE programs available through the Salvation Army that include case management services for 5 to 8 apartments located at 1212 Huxley Street.

Additionally, 1212 Huxley Street will further the county's goal of Housing First by the following:

- Applying the County's Fair Tenant Selection criteria to the 5-8 units set aside for referrals from the community by-name list that is managed by the Coordinated Entry Systems Manager.
- If our identified ranges of supportive service units (30% units) are not filled with the targeted supportive housing populations specified, MSP 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.
- Using a less stringent 'B' screening criteria for residents who apply for the remaining 30% affordable units.
- Providing permanent housing with reduced barriers to entry related to income guidelines and less stringent tenant screening practices. (1212 Huxley Street will have 23 units at the 30% CMI rent and income level).
- Delivering a variety of supportive services via two separate supportive services agencies that have agreed to partner with our development.
- Standard housing lease without mandated therapy or services compliance. Lease term however must be at a minimum a 6 month term which is a requirement of the Section 42 LIHTC program rules.

Selection criteria will be adjusted to reduce barriers to entry and provide otherwise unqualified applicants with an opportunity to secure housing. Please review section 4.7 Fair Tenant Selection for further details on how 1212 Huxley Street is adjusting its policies to move toward a Housing First model.

Supportive services will be provided to all residents at Huxley at no cost and no obligation. Please review section 4.10 Supportive Services Plan for further details on what services are available and how the residents can access these supportive services.

The lease for the residents at Huxley will be our standard residential lease. Six month minimum lease terms may be available but programmatic Section 42 rules require minimum lease terms of six months. Our lease will not have any clauses that require residents to use the supportive services that are available or any additional provisions that are not part of a standard residential lease.

#### 4.10 Supportive Services Plan

MSP Real Estate, Inc. is proposing 111 units of senior and family housing in the City of Madison, WI. Of the 111 units being proposed, 94 of those units are reserved for residents at or below sixty (60) percent of the county median income. 23 units will be set aside for residents at the thirty (30) percent or less county median income level. Supportive services are specifically targeted to those 30% units.

Targeted supportive services will be provided to Veterans, Homeless/Nearly Homeless that meet Federal Poverty Guidelines and Formerly Incarcerated individuals. The supportive services available to the residents of 1212 Huxley Street will be provided for by the following non-profit agencies: Salvation Army, Madison-Area Urban Ministry (MUM) and Dane County Veterans Services (Anticipated).

23 units at 30% CMI that will have 'supportive services' provided by outside agencies:

- 5-8 units for homeless/nearly homeless
- 1-4 units formerly incarcerated
- 11-17 units for Veterans

**Madison-area Urban Ministry (MUM)** located at 2300 S. Park Street, Suite #2022, Madison, WI 53713 (in the Villager Mall – Atrium) offers an array of direct services programs for individuals and families impacted by the criminal justice system. MUM provides re-entry services and referrals to assist former prisoners with transition from incarceration to community. Through MUM's programs and advocacy they will make referrals to 1212 Huxley Street 30% set-aside apartments. These referrals will be made based on MUM's assessment of the referrals needs and the current availability of housing at 1212 Huxley Street.

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

#### **Circles of Support**

Circles of Support match returning citizens with volunteers in the community who are there to listen, encourage and share what they know about local activities and resources, and to help the returnee stay accountable for, and focused on, their goals. Circles provide a safe place where the Core Team Member can be heard, encouraged, and respected while they discuss the challenges they may be experiencing as they transition back into the community. Each Circle is comprised of four or five trained volunteers (Circle Members) who meet regularly with a formerly incarcerated person (the Core Member). The volunteers are able to provide them with alternative solutions to problems and mentoring as they work through the challenges.

MUM's services already include a lengthy follow-up period, typically ranging from 6 months to a year and sometimes up to 2 years for prison reentry individuals. MUM also agreed to only refer

individuals to 1212 Huxley Street that are active participants in their “Circles of Support” program.

Madison Urban Ministry – MUM – Details of supportive services answer to questions in 4.10:

1. The name of the supportive services partner(s), including any specific staff involved with the partnership and the number of staff from that partner agency dedicated to the partnership.

Response:

Madison Urban Ministry – MUM would not have specific staff dedicated to the partnership but would use existing staff to provide supportive reentry programs on site for individuals who have been involved in the criminal justice system, and vocational training for people who have significant barriers to employment such as homelessness or involvement in the criminal justice system. Use of existing staff, which includes 9 Just Bakery staff and 5-8 reentry staff, and Administrative staff (3 additional people).

2. The scope of the services provided to tenants and what approaches the supportive services partner(s) will use to address the needs of the targeted tenant population.

Response:

MUM approaches to working with individuals are cognitively based, helping people understand the connections between thoughts, feelings and actions. MUM services are trauma informed and provided in a culturally relevant manner. MUM programs focus on skill development, practicing those skills, case management related to life skills and treatment or support needs, and with reentry MUM adheres to the principles of evidence based practices that also consider risk, need and responsivity - in other words, for people at higher risk of committing a new offense MUM provides more intensive services directed at their specific need areas.

3. Where tenants can access services. For example, on-site at the development in a permanent, designated space, or by referral to off-site community supports with no on-site provider presence.

Response:

MUM will provide on-site support in a designated space. Additional community support locations provided at MUM offices located at 2115 S Park Street and at the Just Bakery location of 1704 Theirer Road, Madison.

4. If services provided are referral to off-site community supports, please detail how tenants will receive information on supportive services that are available to them before and after needs arise.

Response:

Tenants will receive information about all of MUM's programs and how to access them through fliers at the on-site property management office or other designated area, information sessions held on-site, social media and community outreach.

5. The frequency of services provided and/or a proposed schedule of when services are available to tenants.

Response:

Generally MUM's services are Monday - Friday 8:30 - 5. Some services like MUM's reentry peer support (Circles of Support) include after hours and weekend supportive services.

6. How the supportive services partnership will be funded, including if the respondent is providing funding to support the partnership.

Response:

The majority of MUM's supportive services are funded by Community Donations, other non-City of Madison Grants and the United Way provide the necessary sources of funding support for supportive services provided to potential future residents of 1212 Huxley Street referred by MUM. There is no direct financial support for supportive services coming from the operational budget for 1212 Huxley Street

7. Relevant performance data that provides insight into the supportive service partner's experience serving the target tenant population, and the outcomes for their tenants. Metrics could include the number of individuals served in a related program in a year, housing retention rates for individuals served in that program, connections to employment, etc.

Response:

As a United Way Partner agency MUM's programming are held to a high standard of performance outcomes. On a quarterly basis for Just Bakery we track the number of new students, the number of students completing the program, the number who find and retain employment, the number who are low-income parents, parents of color, we track linkage to housing and treatment programming as well. We have benchmarks, including that no more than 15% of our reentry program participants return to prison, and that 70% of our Just Bakery students obtain and retain employment. According to Linda Ketcham, MUM's Executive Director, MUM's current funding does not allow to track housing metrics beyond obtaining housing, which is an internal capacity issue and would require additional staff as MUM is not funded specifically as a housing provider.

8. How the supportive services partner and the respondent will work together to ensure

the best outcomes for tenants, such as housing retention.

The Project Owner and/or its property management agent will, during lease-up and whenever one of the supportive housing units is vacant, contact MUM asking for referrals of prospective residents who are low income and are in need of additional support for self-sufficiency. This contact will be made by the Project Owner or the onsite property management agent staff via email or phone. MUM will refer prospective residents to the Project. If a resident of the Project chooses to receive services from MUM, MUM will provide necessary case management services.

The Project Owner and/or its property management agent will make existing and prospective residents aware of services and resources available to them from MUM by provision of a tenant resource area within the common area of the Project. MUM shall provide the Project Owner and its agents with brochures and other materials to provide information about available supportive services from MUM. MUM also will include the Project on a list of housing options for low income individuals/families seeking housing.

The Project Owner and/or its property management agent will also contact MUM should it become aware or have issues of tenancy that MUM may be able to provide assistance for to insure housing retention.

The Project Owner and its property management agent will work with MUM in a collaborative effort to insure maximum success of this supportive services partnership to assist individuals/families with their respective housing needs.

**See support letter from Madison area Urban Ministry next page.**

June 21, 2019

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



RE: 2019 WHEDA Tax-Credits Rental Housing Development – 1212 Huxley Street

Dear Mr. Hammond,

Madison-area Urban Ministry (MUM) is a nonprofit interfaith social justice organization. MUM promotes interfaith cooperation and collaboration, convenes and links people of faith communities to engage in social action and advocates for low income people. Current MUM programs include several prisoner re-entry initiatives (Circles of Support, The Journey Home, Reentry Case Management and Peer Support) which provides the basis for the 'support services' that MUM would provide to formerly incarcerated individuals residing at 1212 Huxley Street.

My understanding is that 1212 Huxley Street will be an affordable rental development that will create approximately 22 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 22 supportive housing units will be spread across a mix of 1, 2 & 3 bedroom units at the 30% rent restricted level. MSP Real Estate will notify MUM of the number of supportive housing units to be targeted for MUM specific referrals as the project progresses.

MUM will extend its resources and support to individuals/families that are anticipated to live at 1212 Huxley Street should it become a successful applicant as part of 'previously incarcerated individuals re-entering the community' outreach initiative of the City of Madison's 2019 Rental Housing Development RFP.

MUM's caseworkers can refer clients to 1212 Huxley and/or to sources that may be able to help them secure housing there. MUM caseworkers also match formerly incarcerated people to our 'Circles of Support' program which is conducted by volunteers who meet weekly with the referred client to help them with the transition from prison back to the community.

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

If you have any questions feel free to call me at (608) 256-0906.

Sincerely

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

Linda Ketcham  
Executive Director

Madison-area Urban Ministry



**The Salvation Army of Dane County** located at 630 East Washington Avenue, Madison, WI 53703 offers an array of direct services programs for individuals and families that are transitioning from homelessness to housing. Supportive services are provided by extensive case management services for some of the programs the Salvation Army provides to the most vulnerable members of our community. Through the Salvation Army programs they will make referrals to 1212 Huxley Street 30% set-aside apartments. These referrals will be made based on the Salvation Army's assessment of the referrals needs and the current availability of housing at 1212 Huxley Street.

The Salvation Army will refer individuals and families that it provides assistance to under programs called Dane County Assists With New Starts (DAWNS) program and RISE Program. 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 1212 Huxley Street.

Salvation Army of Dane County – Details of supportive services answer to questions in 4.10:

1. The name of the supportive services partner(s), including any specific staff involved with the partnership and the number of staff from that partner agency dedicated to the partnership.

Response:

The Salvation Army would not have specific staff dedicated to the partnership but would use existing staff to provide supportive case management services as already provided for under the DAWNS and RISE programming.

2. The scope of the services provided to tenants and what approaches the supportive services partner(s) will use to address the needs of the targeted tenant population.

Response:

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.

3. Where tenants can access services. For example, on-site at the development in a permanent, designated space, or by referral to off-site community supports with no on-site provider presence.

Response:

The Salvation Army can provide on-site support in a designated space, the residents apartment or the Salvation Army offices located at 630 East Washington Avenue.

4. If services provided are referral to off-site community supports, please detail how tenants will receive information on supportive services that are available to them before and after needs arise.

Response:

Tenants will receive information about all of the Salvation Army's programs and how to access them through fliers at the on-site property management office or other designated area, social media and community outreach.

5. The frequency of services provided and/or a proposed schedule of when services are available to tenants.

Response:

Generally services are Monday - Friday 8:30 - 5. Case managers typically meet with residents once a week.

6. How the supportive services partnership will be funded, including if the respondent is providing funding to support the partnership.

Response:

The majority of Salvation Army supportive services are funded by Dane County, United Way, Other govt donations and Fundraising donations. The DAWNS program is funding by Dane County and the RISE program is HUD funded. There is no direct financial support for supportive services coming from the operational budget for 1212 Huxley Street

7. Relevant performance data that provides insight into the supportive service partner's experience serving the target tenant population, and the outcomes for their tenants. Metrics could include the number of individuals served in a related program in a year, housing retention rates for individuals served in that program, connections to employment, etc.

Response:

In 2018 DAWNS program served 179 people (49 families) with a 92% permanent housing retention rate. In 2018 RISE program served 101 people (27 families) with a 91% permanent housing retention rate.

8. How the supportive services partner and the respondent will work together to ensure the best outcomes for tenants, such as housing retention.

The Project Owner and/or its property management agent will, during lease-up and whenever one of the supportive housing units is vacant, contact the Salvation Army asking for referrals of prospective residents who are low income and are in need of additional support for self-sufficiency. This contact will be made by the Project Owner or the onsite property management agent staff via email or phone. The Salvation Army will refer prospective residents to the Project from its DAWN and RISE programs. If a resident of the project chooses to receive services and qualifies for the DAWN or RISE program from the Salvation Army, the Salvation Army will provide necessary case management services.

The Project Owner and/or its property management agent will make existing and prospective residents aware of services and resources available to them from the Salvation Army by provision of a tenant resource area within the common area of the Project. The Salvation Army shall provide the Project Owner and its agents with brochures and other materials to provide information about available supportive services from the Salvation Army. The Salvation Army also will include the Project on a list of housing options for low income individuals/families seeking housing.

The Project Owner and/or its property management agent will also contact the Salvation Army should it become aware or have issues of tenancy that the Salvation Army may be able to provide assistance for to insure housing retention.

The Project Owner and its property management agent will work with MUM in a collaborative effort to insure maximum success of this supportive services partnership to assist individuals/families with their respective housing needs.

**See support letter from the Salvation Army next page.**



DOING  
THE MOST  
GOOD



**Brian Peddle**  
General

**Commissioner Brad Bailey**  
Territorial Commander

**Major Steven J. Merritt**  
Divisional Commander

**Captain Andrew Shiels**  
Dane County Coordinator  
Madison Temple Corps Officer

**Captain Melissa Shiels**  
Dane County Director of Special Services  
Madison Temple Corps Officer

**Lieutenant Kelly Summit**  
Madison Temple Associate Corps Officer

**Majors Bruce and Betty Keobounhom**  
Madison Genesis Corps Officers

June 13, 2019

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

RE: 2019 WHEDA Tax-Credit Rental Housing Development – 1212 Huxley Street

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 1212 Huxley Street will be an affordable rental development that will create approximately 22 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 22 supportive housing units will be spread across a mix of 1, 2 & 3 bedroom units at the 30% rent restricted level. 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.

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 1212 Huxley Street. 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 year's rental assistance in our 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 our DAWNS And RISE Programs to individuals/families that it refers to live at 1212 Huxley Street.

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,

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

## **5.0 Required Forms**

Attachment A – Vendor Information

Attachment B – Designation of Confidential and Proprietary Information

Attachment C – Reference Data Sheet

**SECTION 5 – REQUIRED FORMS – ATTACHMENT A**

**VENDOR INFORMATION**

<b>VENDOR NAME:</b>	MSP Real Estate, Inc.
---------------------	-----------------------

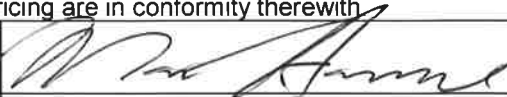
<b>Vendor Information (address below will be used to confirm Local Vendor Preference)</b>			
<b>Address</b>	6234 Maywood Avenue		
<b>City</b>	Middleton	<b>County</b>	Dane
<b>State</b>	WI	<b>Zip+4</b>	53562-2207
<b>Vendor Rep. Name</b>	Mark Hammond	<b>Title</b>	Vice President of Development
<b>Email</b>	mhammond@msphousing.com	<b>Telephone</b>	414-259-2108
<b>Dane County Vendor #</b>	26855		

<b>Fair Labor Practice Certification (check only 1)</b>	
<input checked="" type="checkbox"/>	Vendor has not been found by the National Labor Relations Board ("NLRB") or the Wisconsin Employment Relations Commission ("WERC") to have violated any statute or regulation regarding labor standards or relations in the seven years prior to the date this bid submission is signed.
<input type="checkbox"/>	Vendor has been found by the National Labor Relations Board ("NLRB") or the Wisconsin Employment Relations Commission ("WERC") to have violated any statute or regulation regarding labor standards or relations in the seven years prior to the date this bid submission is signed.

<b>Local Vendor Purchasing Preference</b>	
<b>Are you claiming a local purchasing preference under DCO 25.08(7)?</b>	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes (complete remainder of this section)
<b>Preference as a Dane County Business:</b>	<input checked="" type="checkbox"/> Dane
<b>Preference as a business located in a county adjacent to Dane County:</b>	<input type="checkbox"/> Columbia <input type="checkbox"/> Sauk <input type="checkbox"/> Iowa <input type="checkbox"/> Green <input type="checkbox"/> Dodge <input type="checkbox"/> Rock <input type="checkbox"/> Jefferson

<b>Cooperative Purchasing</b>	
<input type="checkbox"/>	I <u>agree</u> to furnish the commodities or services of this bid to other municipalities.
<input checked="" type="checkbox"/>	I <u>do not agree</u> to furnish the commodities or services of this bid to other municipalities.

<b>Addendums – this vendor hereby acknowledges receipt/review of the following addendums, if any.</b>									
Addendum #1	<input type="checkbox"/>	Addendum #2	<input type="checkbox"/>	Addendum #3	<input type="checkbox"/>	Addendum #4	<input type="checkbox"/>	None	<input checked="" type="checkbox"/>

<b>Signature Affidavit</b>			
<p>In signing this bid, we certify that we have not, either directly or indirectly, entered into any agreement or participated in any collusion or otherwise taken any action in restraint of free competition; that no attempt has been made to induce any other person or firm to submit or not to submit a bid; that this bid has been independently arrived at without collusion with any other bidder, competitor or potential competitor; that this bid has not been knowingly disclosed prior to the opening of bids to any other bidder or competitor; that the above statement is accurate under penalty of perjury.</p> <p>The undersigned agrees to hold the County harmless for any damages arising out of the release of any material unless they are specifically identified on Attachment B. The undersigned, submitting this bid, hereby agrees with all the terms, conditions, and specifications required by the County in this Request for Bid, and declares that the attached bid and pricing are in conformity therewith.</p>			
<b>Signature</b>		<b>Title</b>	Vice President of Development
<b>Name (Printed)</b>	Mark Hammond	<b>Date</b>	7/18/19

<b>DESIGNATION OF CONFIDENTIAL AND PROPRIETARY INFORMATION</b>
----------------------------------------------------------------

The attached material submitted in response to this Proposal includes proprietary and confidential information which qualifies as a trade secret, as provided in Sect 19.36(5), Wisconsin State Statutes, or is otherwise material that can be kept confidential under the Wisconsin Open Records law. As such, we ask that certain pages, as indicated below, of this proposal response be treated as confidential material and not be released without our written approval. Attach additional sheets if needed.

Section	Page #	Topic
4.5	28,29	Project Description - Rent table, sources and uses, 5 year proforma
4.6	32	Project Financing and Leverage - Funding narrative and table of sources
4.7	34,35,36	Fair Tenant Selection
4.9	38,39	Housing First

**Proposer is not designating any information as proprietary and confidential which qualifies as trade secret.**

**Prices always become public information when proposals are opened, and therefore cannot be designated as confidential.**

Other information cannot be kept confidential unless it is a trade secret. Trade secret is defined in Sect. 134(80)(1)(c) Wis. State Statutes, as follows: "Trade secret" means information, including a formula, pattern, compilation, program, device, method technique or process to which all of the following apply:

1. The information derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by other persons who can obtain economic value from its disclosure or use.
2. The information is the subject of efforts to maintain its secrecy that are reasonable under the circumstances.

**In the event the Designation of Confidentiality of this information is challenged, proposer hereby agrees to provide legal counsel or other necessary assistance to defend the Designation of Confidentiality.**

Failure to include this form in the proposal response may mean that all information provided as part of the proposal response will be open to examination or copying. The County considers other markings of confidential in the proposal document to be insufficient. The undersigned agrees to hold the County harmless for any damages arising out of the release of any material unless they are specifically identified above.

**SECTION 5 – REQUIRED FORM – ATTACHMENT C**

<b>REFERENCE DATA SHEET</b>		
Provide company name, address, contact person, telephone number, and appropriate information on the product(s) and/or service(s) used for three (3) or more installations/services with requirements similar to those included in this solicitation document		
<b>NAME OF FIRM:</b>	City of Madison, Department of Planning and Community	
<b>STREET ADDRESS:</b>	215 Martin Luther King Jr Blvd, Suite 300	
<b>CITY, STATE, ZIP</b>	Madison, WI, 53701	
<b>CONTACT PERSON:</b>	Jim O'Keefe	<b>EMAIL:</b> jokeefe@cityofmadison.com
<b>PHONE #:</b>	608-266-7851	<b>FAX #:</b> 608-261-9661
<b>Product(s) and/or Service(s) Used:</b>	Affordable Housing Development Funds Public/Private Partnership	
<b>NAME OF FIRM:</b>	City of Middleton, Department of Planning and Zoning	
<b>STREET ADDRESS:</b>	7426 Hubbard Avenue	
<b>CITY, STATE, ZIP</b>	Middleton, WI 53562	
<b>CONTACT PERSON:</b>	Abby Attoun	<b>EMAIL:</b> aatoun@ci.middleton.wi.us
<b>PHONE #:</b>	608-821-8370	<b>FAX #:</b>
<b>Product(s) and/or Service(s) Used:</b>	Affordable Housing/Senior Housing Public/Private Partnership	
<b>NAME OF FIRM:</b>	City of West Allis, Department of Development	
<b>STREET ADDRESS:</b>	7525 W. Greenfield Ave., Room 220	
<b>CITY, STATE, ZIP</b>	West Allis, WI 53214	
<b>CONTACT PERSON:</b>	John Stibal	<b>EMAIL:</b> jstibal@westalliswi.gov
<b>PHONE #:</b>	414-302-8462	<b>FAX #:</b>
<b>Product(s) and/or Service(s) Used:</b>	Affordable Housing/Senior Housing Public/Private Partnership	



- 5.1 Additional Attachments (Provided for convenience)**  
Attachment D – Location Information  
Attachment E – Fair Tenant Selection Criteria  
Attachment F – Tenancy Addendum

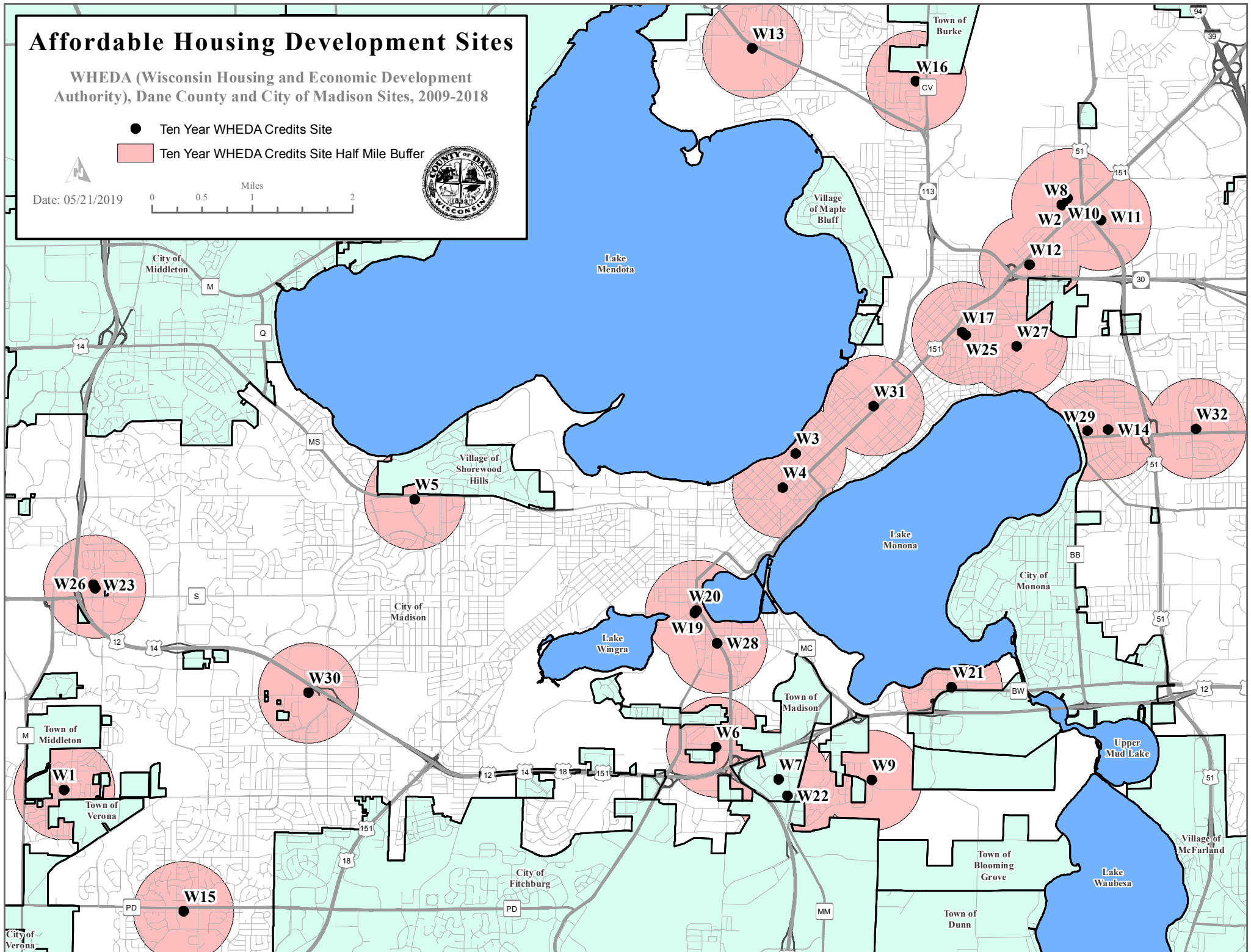
# Affordable Housing Development Sites

WHEDA (Wisconsin Housing and Economic Development Authority), Dane County and City of Madison Sites, 2009-2018

- Ten Year WHEDA Credits Site
- Ten Year WHEDA Credits Site Half Mile Buffer



Date: 05/21/2019



## ATTACHMENT D

## PROJECTS IN THE CITY OF MADISON, 2009-2019

SITE ID	YEAR	DEVELOPMENT NAME	PARCEL NO.	ADDRESS	MUNICIPALITY	ZIP
W1	2009	The Overlook at Midtown	070834408051	8119 MAYO DR	MADISON	53719
W2	2009	Truax Park Redevelopment, Phase 1	081032108046	3502 STRAUBEL ST UNIT LAND	MADISON	53704
W3	2009	City Row Apartments	070913311365	602 E JOHNSON ST	MADISON	53703
W4	2009	YWCA Madison Housing	070913330084	101 E MIFFLIN ST	MADISON	53703
W5	2010	The Overlook at Hilldale	070920201046	4620 FREY ST	MADISON	53705
W6	2010	Burr Oaks Senior Housing	070935203219	2417 CYPRESS WAY	MADISON	53713
W7	2011	Pheasant Ridge Apartments	070935462767	2701 PHEASANT RIDGE TRL	MADISON	53713
W8	2011	Traux Park Redevelopment, Phase 1	081032108046	3502 STRAUBEL ST UNIT LAND	MADISON	53704
W9	2012	Nob Hill Apartments	070936400971	1108 MOORLAND RD	MADISON	53713
W10	2013	Traux Development, Phase 2	081032108054	3538 STRAUBEL ST	MADISON	53704
W11	2013	Eagle Harbor Apartments	081033210022	1360 MACARTHUR RD	MADISON	53714
W12	2014	Madison Supportive Housing	081032430366	715 RETHKE AVE	MADISON	53714
W13	2014	Ridgecrest Apartments (Northridge Terrace)	080926400906	501 NORTHPORT DR	MADISON	53704
W14	2014	Dempsey Place Apartments	071009217269	902 ROYSTER OAKS DR	MADISON	53714
W15	2015	Maple Grove Commons	060812209167	3204 GOLDEN COPPER LN	MADISON	53719
W16	2015	Tennyson Ridge	081030201040	1936 TENNYSON LN	MADISON	53704
W17	2015	Union Corner Apartments	071006135133	2418 WINNEBAGO ST UNIT CDM	MADISON	53704
W18	2016	The Breese	070913131010	1004 E WASHINGTON AVE	MADISON	53703
W19	2016	8Twenty Park Phase II	070926218285	903 DELAPLAINE CT UNIT CDM	MADISON	53715
W20	2016	8Twenty Park Phase I	070926218277	820 S PARK ST	MADISON	53715
W21	2016	The Royal	071019412023	5329 FAYETTE AVE	MADISON	53713
W22	2016	Novation Senior Apartments	070936323450	2675 NOVATION PKWY	MADISON	53713
W23	2016	Madison Family Supportive Housing/Tree Lane Apartments	070823308098	7933 TREE LN	MADISON	53717
W24	2017	Normandy Square Senior Apartments	070825208022	504 S YELLOWSTONE DR	MADISON	53719
W25	2017	Union Corners Grand Family	071006134284	2431 WINNEBAGO ST	MADISON	53704
W26	2018	Tree Lane Senior Apartments	070823308048	7945 TREE LN	MADISON	53717
W27	2018	Fair Oaks Apartments	071005344074	130 S FAIR OAKS AVE	MADISON	53704
W28	2018	Park Street Apartments	070926209052	1202 S PARK ST	MADISON	53715
W29	2018	The Grove Apartments	071009223141	208 COTTAGE GROVE RD	MADISON	53716
W30	2019	Schroeder Road Apartments	070930301076	5614 SCHROEDER RD	MADISON	53711
W31	2019	Valor on Washington	070913102110	1326 E WASHINGTON AVE	MADISON	53703
W32	2019	The Ace	071010213149	4602 COTTAGE GROVE RD	MADISON	53714

## Fair Tenant Selection Criteria

Respondents to this RFP that agree to the tenant selection criteria below will receive 10 points.

### **General Screening Process**

The screening process applied to the project must not deny applicants based on the following:

- a. Inability to meet a minimum income requirement if the applicant can demonstrate the ability to comply with the rent obligation based on a rental history of paying at an equivalent rent to income ratio for 24 months;
- b. Lack of housing history;
- c. Credit score;
- d. Information on credit report that is disputed, in repayment, or unrelated to a past housing or utility (gas, electric, and water only) obligations.
- e. Inability to meet financial obligations other than housing and utilities necessary for housing (gas, electric, water).
- f. Owing money to a prior landlord or negative rent payment history if the tenant's housing and utility costs were more than 50% of their monthly income.
- g. Owing money to a prior landlord or negative rent or utility payment history if applicant does one of the following: (1) establishes a regular record of repayment of the obligation; 2) signs up for automatic payment of rent to the housing provider; or (3) obtains a representative payee.
- h. Wisconsin Circuit Court Access records;
- i. Criminal activity, except: (i) a criminal conviction within the last two years for violent criminal activity or drug related criminal activity resulting in a criminal conviction, and (ii) if the program or project is federally assisted, criminal activity for which federal law currently requires denial. (*Violent criminal activity* is defined in 24 C.F.R § 5.100 and means any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage. "Drug related criminal activity" is defined in Wis. Stat. s. 704.17(3m)(a)(2). "Drug-related criminal activity" means criminal activity that involves the manufacture or distribution of a controlled substance. "Drug-related criminal activity" does not include the manufacture, possession, or use of a controlled substance that is prescribed by a physician for the use of by a disabled person, as defined in s. 100.264(1)(a), and manufactured by, used, by or in the possession of the disabled person or in the possession of the disabled person's personal care worker or other caregiver. )
- j. Membership in a class protected by Dane County fair housing ordinances and non-discrimination ordinances in the municipality where the project is located.

### **Denial Process**

- 1) Prior to a denial based on a criminal record, the housing provider shall provide the applicant access to a copy of the criminal record at least five days prior to the in-person appeal meeting and an opportunity to dispute the accuracy and relevance of the report, which is already required of HUD assisted housing providers. See 24 C.F.R. §

982.553(d), which applies to public housing agencies administering the section 8 rent assistance program.

- 2) Prior to a denial based on a criminal record, the housing provider shall provide the applicant the opportunity to exclude the culpable family member as a condition of admission of the remaining family members.
- 3) Prior to a denial decision, the housing provider is encouraged to meet with the applicant to review their application and make an individualized determination of their eligibility, considering: (a) factors identified in the provider's own screening policies, (b) if applicable, federal regulations, and (c) whether the applicant has a disability that relates to concerns with their eligibility and an exception to the admissions rules, policies, practices, and services is necessary as a reasonable accommodation of the applicant's disability. In making a denial decision, the housing provider shall consider all relevant circumstances such as the seriousness of the case, the extent of participation or culpability of individual family members, mitigating circumstances related to the disability of a family member, and the effects of denial on other family members who were not involved in the action or failure.
- 4) The property manager will base any denial on sufficient evidence. An arrest record or police incident report is not sufficient evidence. Uncorroborated hearsay is not sufficient evidence.
- 5) Denial notices shall include the following:
  - a) The reason for denial with details sufficient for the applicant to prepare a defense, including:
    - i) The action or inaction forming the basis for the denial,
    - ii) Who participated in the action or inaction,
    - iii) When the action or inaction was committed, and
    - iv) The source(s) of information relied upon for the action or inaction.
  - b) Notice of the applicant's right to a copy of their application file, which shall include all evidence upon which the denial decision was based.
  - c) Notice of the applicant's right to copies of the property manager's screening criteria.
  - d) Notice of the right to request an in-person appeal meeting on the denial decision by making a written request for a hearing within 45 days. The housing provider is not required to hold the unit open while the appeal is pending.
  - e) Notice of the right to have an advocate present at the in-person appeal meeting and of the right to be represented by an attorney or other representative.
  - f) Notice of the right to present evidence in support of their application, including, but not limited to evidence related to the applicant's completion or participation in a rehabilitation program, behavioral health treatment, or other supportive services.

- 6) The if the applicant requests an in-person appeal meeting, the hearing will be conducted by a person who was not involved in or consulted in making the decision to deny the application nor a subordinate of such a person so involved.
- 7) The in-person appeal meeting shall be scheduled within ten working days of the request, unless the applicant requests a later date.
- 8) A written decision on the application shall be provided to the applicant within ten working days after the in-person appeal meeting.

## Tenancy Addendum

Respondents to this RFP that agree to include the following provisions within all tenant leases or as an addendum to all tenant leases will receive 10 points.

- a. **Security Deposits.** The amount of a security deposit shall not be more than one month's rent.
- b. **Late Fees and Other Fees.** Late fees must be set forth in the rental agreement. Late fees shall not exceed 5% of the tenant's portion of the monthly rent. Other penalty fees are prohibited. All other fees must be directly related to the cost for a specific amenity or service provided to the tenant and comply with all applicable laws.
- c. **Rights of Youth to Access Common Spaces.** Youth under the age of 18 are allow to use and enjoy common areas without supervision. This does not preclude reasonable rules in ensure the safety of children and youth.
- d. **Good Cause for Termination.** A tenancy may not be terminated during or at the end of the lease unless there is good cause. Good cause is defined in include the following: (i) a serious violation of the lease; (ii) repeated minor violations of the lease; or (iii) a refusal to re-certify program eligibility. Repeated means a pattern of minor violations, not isolated incidents. Termination notices and procedures shall comply with Chapter 704 of Wisconsin Statutes and federal law, when applicable. Written notice is required for non-renewal and shall include the specific grounds for non-renewal and the right of the tenant to request a meeting to discuss the non-renewal with the landlord or landlord's property management agent within fourteen (14) days of the notice. If requested, the landlord or property management agent will meet with the tenant to discuss the non-renewal, allow the tenant to respond to the alleged grounds for non-renewal, and pursue a mutually acceptable resolution.
- e. **Reasonable Guest Rules.** Tenants have the right to have guests. In the event the property management establishes rules related to guests, they must be reasonable. Unreasonable rules include, but are not limited to the following: (1) Prior authorization of guests by the property management, unless the guest is staying for an extended period of time (e.g. more than 2 weeks); (2) Prohibition on overnight guests; (3) Requiring that the resident be with the guest at all times on the property. (4) Requiring guests to show ID unless requested by the tenant. (5) Subjecting caregivers, whether caring for a child or children, or an adult with disabilities, to limitations on the number of days for guests.

Landlord may ban a person who is not a tenant from the rental premises if the person has committed violent criminal activity or drug related criminal activity at rental premises. No person shall be banned from the rental premises without the consent of the tenant unless the following have taken place:

- (1) A notice of the ban is issued to the tenant stating the:
  - (a) name of the person banned,

(b) grounds for the ban including, (i) the specific facts detailing the activity resulting in the ban; (ii) the source of the information relied upon in making the ban decision; and (iii) a copy of any criminal record reviewed when making the ban decision; and

(c) the right of the tenant to have a meeting to dispute the proposed ban, discuss alternatives to the ban, and address any unintended consequences of the proposed ban.

(2) If requested, a hearing on the ban has taken place to provide the tenant an opportunity to dispute the proposed ban, discuss alternatives of the ban, and address any unintended consequences of the proposed ban.

A tenant may not invite or allow a banned person as a guest on the premises, provided the Landlord has followed the proper procedure and given notice to Tenant as set forth herein.

A tenant who violates the guest policy may be given a written warning detailing the facts of the alleged violation. The written warning shall detail the violation, and warn the tenant that repeated violations may result in termination of tenancy. Tenants that repeatedly violate the guest policy, (e.g. three (3) or more violations within a twelve (12) month period) may be issued a notice of termination in accordance with state and federal law.

Nothing in this policy limits a person's right to pursue a civil order for protection against another individual.

- f. **Parking Policies.** Parking policies and practices must comply with applicable laws. Vehicles shall not be towed to a location that is more than 6 miles from the rental premises, unless there is not a towing company with a tow location available within 6 miles.