

<b>RFP COVER PAGE SIGNATURE AFFIDAVIT</b>	
<b>NAME OF FIRM:</b>	MSP Real Estate
<b>STREET ADDRESS:</b>	1295 Northland Drive Suite 270
<b>CITY, STATE, ZIP</b>	Mendota Heights, MN 55120
<b>CONTACT PERSON:</b>	Mark Hammond
<b>PHONE #:</b>	(612) 868-9997
<b>FAX #:</b>	
<b>EMAIL:</b>	mhammond@msphousing.com

In signing this proposal, we also 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 proposal; that this proposal has been independently arrived at without collusion with any other proposer, competitor or potential competitor; that this proposal has not been knowingly disclosed prior to the opening of proposals to any other proposer or competitor; that the above statement is accurate under penalty of perjury.

The undersigned, submitting this proposal hereby agrees with all the terms, conditions, and specifications required by the County in this Request for Proposal, and declares that the attached proposal and pricing are in conformity therewith.

\_\_\_\_\_  
**Signature**

Director of Development and General Counsel  
**Title**

Mark Hammond  
**Name (type or print)**

5/04/2017  
**Date**

**Addendums** -This firm hereby acknowledges receipt / review of the following addendum(s) (If any)

Addendum # \_\_\_\_\_ Addendum # \_\_\_\_\_ Addendum # \_\_\_\_\_ Addendum # \_\_\_\_\_

**Department of Administration  
County of Dane, Wisconsin  
Request for Proposal  
Affordable Rental Housing  
Affordable Housing Development Fund  
RFP #117037**



**Due Date:**

**May 5, 2017**

**Prepared by:**

**Mark Hammond**

**MSP Real Estate, Inc.**

**1295 Northland Dr., Suite 270**

**Mendota Heights, MN 55120**

**612-868-9997**



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May 5, 2017

Carolyn A. Clow  
215 Martin Luther King Jr. Blvd  
Room 425 Madison, WI 53703

RE: Affordable Rental Housing Affordable Housing Development Fund  
Bid/RFP #117037

Dear Ms. Clow,

MSP Real Estate Inc. is pleased to present our application for Dane County's Affordable Housing Development Fund for our Normandy Square affordable senior (55+) housing development. This development has received a commitment from the City of Madison 2016 Affordable Housing fund in the amount of \$850,000. We have also submitted a tax credit application to WHEDA for an award of tax credits this past round. We anticipate the tax credit award announcements from WHEDA to occur in late May to early June 2017.

Due to the volatility in tax credit pricing and upward pressure on construction costs, our requested Dane County funding is necessary gap financing to ensure the development remains viable.

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,

*Mark Hammond*

Mark Hammond  
Director of Development & General Counsel

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## 1. Overview Development Team

MSP Real Estate specializes in developing and operating senior and multifamily developments in the Midwest. Over the past 25 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.

### Overview Proposed Development

The proposed development is a 57-unit independent senior (55+) affordable rental development known as Normandy Square to be located at 6509 Normandy Lane in Madison, Wisconsin. The 57 units will include 9 market rate and 48 income-restricted units in a three-story elevator building with underground garage parking. This development will provide a much needed housing option to the west side of Madison that has had no new senior affordable housing developed in this market since 2006.

Twelve of the subject's income restricted apartment units will provide supportive housing for persons reentering society from prison, veterans, and/or homeless/nearly homeless persons. Residents of these units will have supportive services provided by Community Action Coalition for South Central Wisconsin, Inc., Middleton Outreach Ministry, 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 the senior (55+) population. See Section 4.3 for more detailed information about this project.

## MSP COMPANIES

REAL ESTATE

CONSTRUCTION

DEVELOPMENT

PROPERTY MANAGEMENT

HERITAGE SENIOR LIVING



***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 2,455 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 1,800 units of senior housing in 12 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 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.

MSP Companies is poised to take another giant leap forward, as we continue to expand our footprint as an industry leader in the Upper Midwest region. 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 TIF, HOME Funds, Federal Home Loan Bank funding, CBDG, Metropolitan council grants, and DTED grants. MSPRE has extensive knowledge of real estate development gained over the past 25 years with 40 projects totaling over \$300 Million in value.

### MSP Development

#### Senior Housing Development

MSP has become one of the Midwest's leading developers of senior housing communities, ranking 55<sup>th</sup> in the nation's largest providers of senior housing. To date, we have developed over 1,800 units of senior housing in 12 communities in Wisconsin and Minnesota. MSPRE has developed senior condominiums, independent apartments, assisted living and memory care.

Over the past 8 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

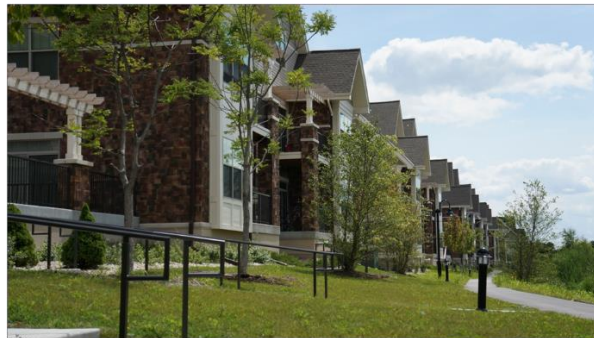
### Affordable Housing Development

MSPRE specializes in Section 42 Affordable Housing Tax credit development. To date, MSPRE has received over \$15 Million in tax credit allocations in three Midwestern states, creating projects worth a total cost of over \$95 Million. This portfolio consists of approximately 1,000 units of senior housing and 430 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.





## 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 ten communities in Wisconsin totaling over 2,100 beds. We are one of the fastest growing Assisted Living companies in the region and now employ over 650 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 four new projects, with construction costs totaling over \$38 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 730 units in 12 locations.

## 4.2 Development Team – Key Staff

## Management Team

### 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.



Heritage Senior Living was formed in 2000, as a health care housing company for independent, assisted and memory care seniors and has since grown to the country's 55<sup>th</sup> largest operation. Every year Heritage is constructing over \$30 Million in purpose-built housing, primarily in Wisconsin.

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

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, Director of Development and General Counsel**

**Mark Hammond, as Director of Development & General Counsel**, 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.

Prior to joining MSP, Mark worked at Weber Holdings, where he co-led the development of a \$50M mixed-use, full-block redevelopment project, and a \$30M adaptive reuse conversion of an 1898-built chocolate factory into a 67-room boutique hotel. During these two development projects, Mark simultaneously asset managed a 300,000 square foot Class A office campus and a 150,000 square foot industrial portfolio. Prior to his time at Weber Holdings, Mark interned with the Acquisitions group of leading institutional real estate advisor Bentall Kennedy, where he assisted a small team that placed approximately \$500M in equity in 2011.

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.



## Management Team

### Susan Stepka, Chief Financial Officer



**Susan Stepka, Chief Financial Officer** for MSP Companies and Heritage Senior Living, is responsible for internal audit and controls, financial reporting and analysis, budget and forecasting, cash flow projections, controllership, taxes, treasury, and overseeing shared administrative services such as IT and human resources.

Susan's primary responsibilities are to build a strong internal accounting function, strengthen the internal and external financial reporting to the owners and investors, and continue to strengthen the IT and human resource systems that will support continuous growth.

Prior to her engagement with MSP Companies and Heritage Senior Living she was employed by Common Bond Housing Corporation, a for-profit subsidiary of Common Bond Communities. Common Bond Communities, the Midwest's largest nonprofit provider of affordable housing with services. Common Bond developed and manages over 5,700 affordable rental apartments and townhomes, which includes senior, family, market rate, assisted living and memory care housing. Susan held many positions with Common Bond Housing throughout her 22 years of employment. As the Director of Administration she was responsible for corporate reporting, internal controls, treasury, audits, financial reporting, taxes, budgets, human resources, IT, Section 8 and LIHTC compliance and participated on the finance and investment board committees.

Susan holds a bachelor's degree in accounting and business administration from the University of Minnesota. She is a Certified Management Accountant (CMA). She also holds certifications in LIHTC Tax Credit Compliance and Certified Occupancy Specialist and was a founding member of the Yardi Affordable User Group Board.

## Management Team

### Jim Rodgers, Director of Asset Management

**Jim Rodgers, as Director of Asset Management,** is responsible for the asset management of a portfolio of properties under ownership of the MSP / Heritage Companies. Responsibilities include but are not limited to, production of property budgets and budgetary oversight, capital improvements, refinancing and analysis of future acquisitions for both MSP and Heritage owned real estate.



Prior to his role with MSP / Heritage, he was employed at the Wisconsin Housing and Economic Development Authority for 21 years as an Asset Manager, Loan Officer and Low Income Housing Tax Credit Underwriter. During his time there, Jim was an integral part of a team that administered the Low Income Housing Tax Credit program which produced over 20,000 units of affordable housing across the State of Wisconsin. He also underwrote and closed over \$120 million in affordable multifamily housing which included lending for the production of assisted living facilities.

Jim has a Master's of Science in Business, Real Estate Investment, and a Masters Business Administration, Finance from the University of Wisconsin-Madison.

## Management Team

### Steven Saucke, Vice President / Construction



Steve has been in the construction industry for more than 40 years. Originally in residential construction, Steve prided himself on designing and building the best home for each and every client. In 1997, he was offered a position as a Project Manager for a multi-family developer, building market-rate apartments. As the need for secure, affordable senior housing grew in the Midwest, Steve moved in that direction, overseeing the construction of the two largest senior housing facilities in the State of Iowa and multiple senior independent, assisted living, and memory care facilities throughout Wisconsin.

Now, with MSP Construction, Inc., Steve manages all aspects of construction, from site development through to turnkey completion.

**Liz Johnson, Area Property Manager** is responsible for the property management of a portfolio of properties under ownership of the MSP Companies. Liz is also responsible for management of our 3<sup>rd</sup> party tax credit compliance company.

Prior to her role with MSP, she was employed at Oakbrook Corporation as a property manager. There she managed a portfolio of 120 units of senior and family tax credit properties in WI. Prior to Oakbrook, she was a realtor for Shorewest Realtors for 10 years.

Liz currently holds certifications as a tax credit specialist and a certified occupancy specialist and has an associates in Science-Nursing degree from Cardinal Stritch University.

## 4.2 Past Projects (1) Team Experience in obtaining Section 42 Tax Credits

As our Tax Credit project lists demonstrate on the following pages, since 1991, MSP Real Estate has secured awards for tax credits for 22 total projects in the Midwest:

- 17 projects in Wisconsin that have provided over 900 units of senior housing and 212 units of family housing
- 5 projects in the Midwest outside of Wisconsin, totaling 83 units of senior and 260 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). MSP Development is consistently rated as one of the top scoring developers within WHEDA's scoring matrix.

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, Doug Buck

-Accounting:

SVA (Madison, WI) – Glen Weyenberg, Mike Kendhammer

-Architecture:

Dimension IV (Madison, WI) – Jerry Bourquin

-Engineering:

CJ Engineering (Milwaukee, WI) – Chris Jackson

Finally, our long term relationships with our accounting partners, SVA, tax credit equity syndicators, our banking partners and City leaders has also allowed us to consistently score well in the WHEDA scoring criteria and put all the pieces cohesively together which is necessary to move a tax credit award from concept to product delivery. We have partnered with a total of six different tax credit syndicators on our past tax credit awards.

Again, as our project lists demonstrate on the following pages, MSP Development has been and remains a prolific development company. Our last award for tax credits (2015) was for a 40 unit family deal in Chippewa, WI that is now fully leased up.

On our assisted living side of our business model we have recently completed 65 units of assisted living and memory care housing in November of 2015 in Port Washington WI. We just completed the construction with a Grand Opening on March 30, 2017 for another senior campus in Delafield WI. Our Delafield project contains 45 units of independent senior market rate apartments, 43 assisted living units and 36 memory care units. And we have another senior campus currently in the final stages of construction located in Kimberly (Appleton) WI. This senior campus project

will contain 45 independent senior market rate apartments, 47 assisted living and 44 memory care units. This project is scheduled to be completed in June of 2017. Mark Hammond, our Development Director, continues to look for new opportunities for MSP Development's continued growth which includes WHEDA tax credit application sites for the 2018 low income tax credit round.

Please review our complete list of developments completed on the following pages:



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

<b><u>Project Names/ Locations</u></b>	<b><u>Number of Units</u></b>	<b><u>Financing</u></b>	<b><u>Completion Date</u></b>
<b><u>Middleton Senior Apartments</u></b> Middleton, WI	56	US Bank	October 2012
<b><u>New Berlin Senior II</u></b> New Berlin, WI	34	JP Morgan	December 2012
<b><u>Chippewa Senior Apartments II</u></b> Chippewa Falls, WI	24	HOME	October 2011
<b><u>West Allis Senior Apartments</u></b> West Allis, WI	122	WHEDA Bond	April 2009
<b><u>Monona Senior Apartments</u></b> Monona, WI	88	WHEDA Bond	September 2009
<b><u>Lincoln Village</u></b> Port Washington, WI	49	BankMutual Conventional	December 2002
<b><u>Homestead Village</u></b> Chippewa Falls, WI	48	WPS Conventional	February 2000
<b><u>Deer Creek Village</u></b> New Berlin, WI	145	US Bank Conventional	October 2001
<b><u>Silver Creek Village</u></b> Glendale, WI	65	WHEDA Bond	August 2000
<b><u>Lexington Village</u></b> Greenfield, WI	120	Wells Fargo Conventional	December 1998
<b><u>Silver Lake Pointe</u></b> Mounds View, MN	83	Wells Fargo Conventional	September 1995
<b><u>Courtyard</u></b> West Allis, WI	63	Wells Fargo Conventional	September 1995
<b><u>Mill View</u></b> Kiel, WI	24	Rural Development	March 1995
<b><u>Station House</u></b> Antigo, WI	40	Rural Development	1991
<b><u>Village Plaza</u></b> Paddock Lake, WI	<u>24</u>	Rural Development	1991

**Total                    985**

**MSP REAL ESTATE, INC.**  
**TAX CREDIT FAMILY (SECTION 42) APARTMENTS**

<b><u>Project Names/ Locations</u></b>	<b><u>Number of Units</u></b>	<b><u>Financing</u></b>	<b><u>Completion Date</u></b>
<b><u>The Landing Apartments</u></b> Chippewa Falls, WI	40	Conventional	June 2016
<b><u>Meadow Ridge Apartments</u></b> Waukesha, WI	70	Conventional Town Bank	October 2014
<b><u>New Berlin City Center</u></b> New Berlin, WI	102	Enterprise	December 2012
<b><u>Silverlake Commons</u></b> Mounds View, MN	50	MHFA	February 1999
<b><u>Cityside Townhomes</u></b> Marshall, MN	50	MHFA	April 1997
<b><u>Parkside Townhomes</u></b> Redwood Falls, MN	30	FNMA	February 1997
<b><u>Valley Farms Apartments</u></b> Westfield IN	92	Rural Development	May 1996
<b><u>Lincoln Square Apartments</u></b> Chisholm, MN	38	Conventional	August 1995 Sold 2013
<b>TOTAL</b>	<b>472</b>		

**HERITAGE SENIOR LIVING, LLC**  
**ASSISTED/ALZHEIMER'S FACILITIES**

<b><u>Project Names/Location</u></b>	<b><u>Number of Units</u></b>	<b><u>Number of Beds</u></b>	<b><u>Financing</u></b>	<b><u>Completion Date</u></b>
<b><u>Heritage Kimberly</u></b> (45 Independent, 47 Assisted Living/ 44 Memory Care) Kimberly, WI	136	136	Conventional	Estimated June 2017
<b><u>Heritage Lake Country</u></b> (45 Independent, 43 Assisted Living/ 36 Memory Care) Delafield, WI	124	124	Conventional	March 2017
<b><u>Heritage Port Washington</u></b> (45 Assisted Living/ 20 Memory Care) Port Washington, WI	65	69	Conventional	November 2015
<b><u>Heritage Court Waukesha</u></b> (Memory Care) Waukesha, WI	36	38	Conventional	October 2014
<b><u>Heritage Elm Grove</u></b> (61 Assisted Care/ 36 Memory Care) Elm Grove, WI	97	106	10-Year WHEDA	June 2014
<b><u>Heritage Monona Phase II</u></b> (28 Assisted Care/ 40 Memory Care) Monona, WI	68	75	10-Year WHEDA	November 2012
<b><u>Heritage Middleton</u></b> (43 Assisted Care/ 36 Memory Care) Monona, WI	79	85	10-Year WHEDA	December 2012
<b><u>Heritage Monona</u></b> (37 Assisted Care/ 38 Memory Care) Monona, WI	75	86	WHEDA Bond	September 2009
<b><u>Heritage Court West Allis</u></b> (Memory Care) West Allis, WI	38	40	MSP	September 2009
<b><u>Heritage West Allis</u></b> (Assisted Care) West Allis, WI	40	46	WHEDA Bond	August 2009
<b><u>Heritage Court</u></b> (Memory Care) Eau Claire, WI	34	36	MSP	October 2007
<b><u>Heritage Court</u></b> (Memory Care) Menomonee Falls, WI	34	36	Conventional	November 2004
<b><u>Heritage at Deer Creek</u></b> (43 Assisted Care/ 33 Memory Care) New Berlin, WI	76	82	HUD	January 2004
<b><u>Heritage at Oakwood Hills</u></b> Eau Claire, WI	39	49	Conventional	December 2002
<b><u>Lexington Heritage</u></b> Greenfield, WI	20	24	Conventional	February 2000
<b>TOTAL</b>	<b>961</b>	<b>1032</b>		

#### **4.2 (2). Team Experience in Public/Private Partnerships**

##### **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 and a second phase 2 story 68 unit assisted living and memory care community. Construction took 12 months and the project leased up at a record pace ahead of schedule in just under 9 months (Phase 1) and 12 months respectively (Phase II).

Contact Information: Sonja Reichertz- Monona Economic Development Director (608)222-2525



(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 serves 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 is 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 at Deer Creek, Heritage at City Center and City Center at Deer Creek Phase II. City Center Phase I consists of 3 (34) 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



#### 4.2(3) Team Experience in 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 25 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 58 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	25
Jim Rodgers	22
Mark Hammond	6
Danny DiFrancesco	5

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, Doug Buck

-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.



#### **4.2 (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 our Normandy Square Senior 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. Locally, we have partnered with Movin-Out on three past projects, New Berlin City Center (11 units), Middleton Senior (9 units) and Meadow Ridge Waukesha (6 units). Movin-Out coordinated the delivery of services both on and off-site that allowed residents with special needs assistance to stabilize their living situation and live more independently.

## 4.2 (5) Property Management Overview

### MSP Property Management



1295 Northland Drive Ste 270  
Mendota Heights MN 55120

6234 Maywood Avenue  
Middleton WI 53562

952-351-4540

608-858-1088

952-935-7202

608-831-7429

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

List of MSP Property Managed Properties: 6 Senior and 6 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
Silver Lake Commons	Mounds View MN	50	Family	Yes
Cityside Townhomes	Marshall MN	50	Family	Yes
Parkside Townhomes	Redwood Falls MN	30	Family	Yes
Central Pointe	New Berlin WI	75	Family	No
<b>Total</b>		<b>731</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.

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 730 units in 12 locations throughout Wisconsin and Minnesota.

**MSP Property Management**, will be the property manager of record for RFP: #117037.

## Heritage Senior Living Management



1295 Northland Drive Ste 270  
Mendota Heights MN 55120

7901 W National Ave  
West Allis WI

952-351-4540  
952-935-7202

414-302-9700  
414-302-9705

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

List of Heritage Senior Living Managed Properties: 5 Senior and 11 Assisted Living/Memory Care projects.

Project Name	Location	Number of Units	Senior/Assisted Living/Memory Care	Tax Credit Yes/No
Middleton Senior	Middleton WI	56	Senior	Yes
Monona Senior	Monona WI	88	Senior	Yes
West Allis Senior	West Allis WI	122	Senior	Yes
Deer Creek Village	New Berlin WI	145	Senior	Yes
Lincoln Village	Port Washington WI	49	Senior	Yes
Lexington Heritage	Greenfield WI	20	Assisted Living	No
Heritage Oakwood Hills	Eau Claire WI	39	Assisted Living	No
Heritage West Allis	West Allis WI	40	Assisted Living	No, WHEDA Bond Units
Heritage Deer Creek	New Berlin WI	43 33	Assisted Living Memory Care	No
Heritage Monona	Monona WI	43 38	Assisted Living Memory Care	No, WHEDA Bond Units
Heritage Monona Phase II	Monona WI	28 40	Assisted Living Memory Care	No, WHEDA Bond Units
Heritage Middleton	Middleton WI	43 36	Assisted Living Memory Care	No, WHEDA 7/10 Units
Heritage Elm Grove	Elm Grove WI	61 36	Assisted Living Memory Care	No
Heritage Port Washington	Port Washington WI	45 20	Assisted Living Memory Care	No
Heritage Court	Menomonee Falls WI	34	Memory Care	No
Heritage Court	Eau Claire	34	Memory Care	No
<b>Total</b>		1,093		

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. These communities consist of mixed-income independent senior apartments, assisted living, and memory care housing.

MSP Property Management and Heritage Senior Living Management accounting staff, human resources, compliance, regional property & maintenance staff are leveraged and share oversight of both sides of these Milo Pinkerton owned management companies.

**Team Experience in providing property management services for housing with Section 42 low income housing tax credits.**

Since 2006 both MSP property management and Heritage Senior Living have 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.

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 issues to both the Wisconsin Housing Economic Development Authority and the Minnesota Housing Finance Agency.

Our third party consultant, Becky Haag, Compliance Specialists (20 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 700 units in 12 projects in Wisconsin in 2016.

Susan Stepka, our Chief Financial Officer, heads up an accounting staff that employs 6 full time accountants with over 100 years combined of accounting experience.

Jim Rodgers and Liz Johnson have over 25 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 18 full time maintenance staff to take care of the day to day physical plant operations for all our properties.

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

## 4.2 (6) Past Projects Provisions for Supportive Services

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

Some past examples of supportive housing MSP has provided include, in 2013 MSP partnered with Movin' Out on our successful 70 unit family tax credit project, Meadow Ridge Apartments, located in Waukesha, WI. The project reserved six (6) units for residents who are seniors or adults with physical and/or development disabilities that rely on supportive services that are planned and delivered by Movin' Out. MSP worked with both Movin' Out and Care Wisconsin to provide the following supportive services to the residents of Meadow Ridge:

- Maintain independence in the home and the community
- Home maintenance
- Meal planning/groceries
- Assist individuals with future housing and personal care needs
- Locate health and housing assistance

Another illustrative past example is MSP's 2015 tax credit application, The Landing Apartments. For this project in Chippewa, WI, MSP partnered with West Central Wisconsin Community Action Agency, Inc., (WestCap) and Veterans Assistance Foundation, Inc. to provide the following supportive services to the residents:

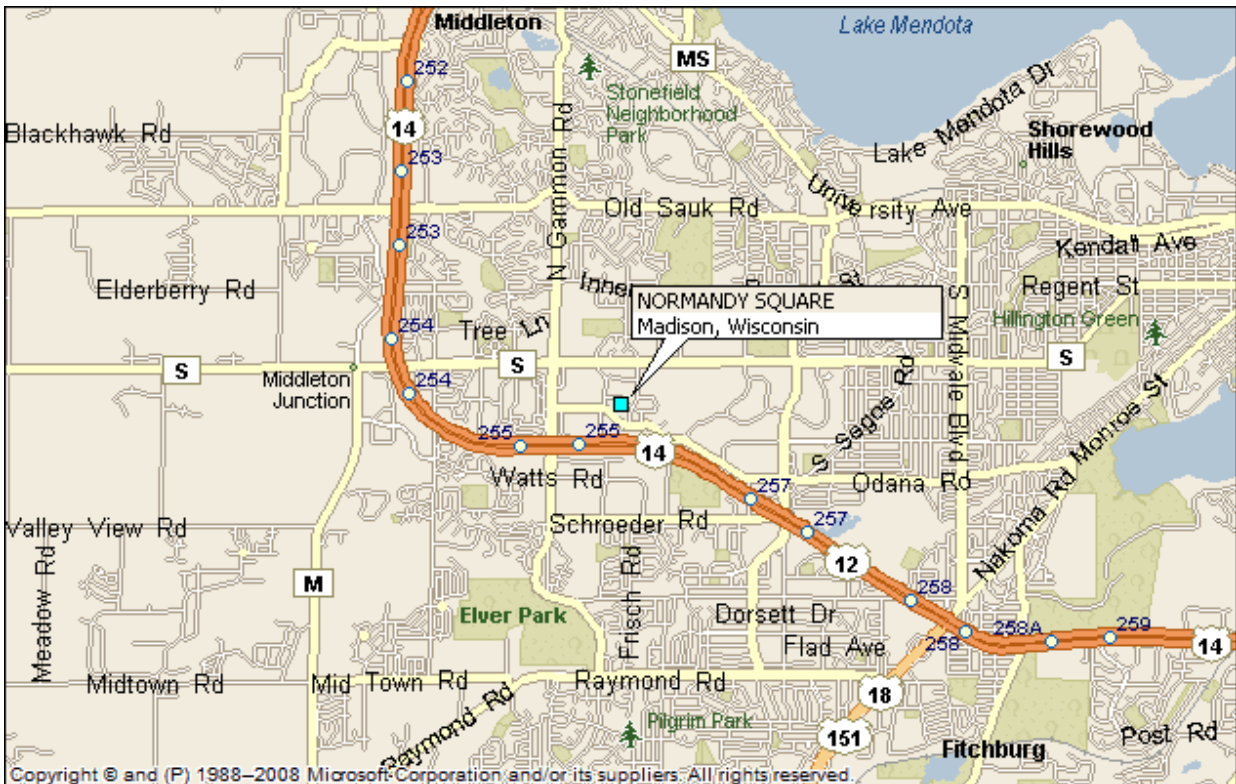
- Housing Assistance Programs
- Food Access and Resources Program
- Energy Assistance
- Jumpstart Transportation
- Adult Education
- Literacy
- Skills Enhancement

Veteran's Assistance Foundation will provide the following services:

- Staff support to ensure safety and supervision as needed
- Community involvement/relationships
- Organization, communication, coordinating transportation
- Medication assistance and medical advocacy
- Financial support (assist each tenant with personal checking account as needed)

### 4.3 Project Description

The proposed development is a 57-unit senior independent project. The apartments will be restricted to residents that are aged 55 and above. The majority of the units (48) will target residents with incomes between 30% to 60% of the Dane County median income and 9 units available to market rate households. Normandy Square will be located at 6509 Normandy Lane in the southwest section of Madison, Wisconsin. Normandy Square is to be built on an infill site located in an established neighborhood and generally requires minimal infrastructure improvements. Normandy Square is situated at the southwest corner of the intersection of Normandy Lane and S. Yellowstone Drive in Madison, WI.



The subject site was chosen due to its close proximity to jobs, public transportation and lack of affordable housing in the area. The site is within 1/2 mile of bus routes 14, 63, 67, and 73. The surrounding community is mostly retail and this allows great access for residents to walk or bike from their home to employment opportunities and/or to purchase all necessary household items and engage in other community amenities (restaurants, library, movie theatres, West Towne Malls, parks). The site has a 71 walk score which is labeled as "Very Walkable" and most errands can be accomplished on foot. The site also has a 93 bike score which is classified as a "Biker's Paradise" and has excellent bike lanes to get around the City of Madison.

See table on next page for additional nearby linkages to this site highlighting the locational attributes of this site.



Linkages			
Linkage Type	Nearest (in miles)	Name	# Within two miles
Community Center	0.2	Jewish Social Services Center	2
Senior Center	2.2	West Madison Senior Center	0
Medical Clinic	0.3	Optimal Health Center	6
Hospital	0.7	UW Health Urgent Care Clinic	3
Shopping Center	0.1	Market Square Shopping Center	7
Pharmacy	0.7	UW Health West Towne Clinic Pharmacy	5
Grocery Store	0.7	Woodman's Food Market	6
Convenience Store	0.4	Citgo Quick-Mart	6
Public Library	1.9	Madison Public Library - Meadowridge	1
Public Park	0.4	Nautilus Point Park	10+
Post Office	0.5	US Post Office	1
Banking Institution	0.2	Great Midwest Bank	10+
Adult Day Care	7.9	St. Mary's Adult Day Health Center	0

Sources: Google Maps, Walkscore

Walkscore: 71 (Very Walkable)
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The following is a physical description of the proposed development.

Improvement Summary		
General Description	Building Construction	Parking
Three-story apartment building 57 apartments 28 one-bedroom units 29 two-bedroom units Common hallways Elevator 2,361 SF commercial space	Wood-frame construction Flat rubber membrane roof Cement fiber exterior Underground garage Secured entry Building sprinkler system Common hydronic radiant heat	Total Parking: 107 spaces 57 underground garage spaces 50 exterior surface spaces Parking ratio: 1.89 spaces/unit Above average for independent senior housing
Common Amenities		
Indoor		Outdoor
Community room Fitness center Garage bicycle parking Computer room	Tenant storage Leasing office Business center Free internet service	Bicycle parking

Information about unit finishes, amenities, and utilities is provided on the following page.

Unit Finishes		
Unit Finishes	Kitchen Finishes	Bathroom Finishes
Carpet - Living Room Carpet - Bedrooms	Wood cabinets Vinyl flooring Granite countertops	Vinyl flooring Wood vanity Fiberglass tub surround Exhaust Fan
Unit Amenities		
Unit Amenities	Kitchen Amenities	
Air conditioning In-unit washer/dryer Patio/balcony	Oven/range Refrigerator Fan hood	Dishwasher Garbage disposal Microwave oven
Utilities		
Owner-paid		Tenant-paid
Unit heat, domestic hot water, water and sewer		Unit electric

The 57 units will include 9 market rate and 48 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 \$417 to \$1,033 dollars for the rent restricted units. **These rental restrictions will be in place for a period of 30 years.**

Summary of Unit Mix & Set-Aside Levels							
Unit Type	Sq. Ft.	30% AMI	40% AMI	50% AMI	60% AMI	Market	Total
1 BR/1 BA	700	1	0	0	0	0	1
1 BR/1 BA	750	2	0	0	0	0	2
1 BR/1 BA	775	9	1	11	1	3	25
2 BR/1 BA	990	0	0	11	8	0	19
2 BR/2 BA	1,132	0	0	0	3	0	3
2 BR/2 BA	1,133	0	0	0	1	2	3
2 BR/2 BA	1,134	0	0	0	0	2	2
2 BR/2 BA	1,141	0	0	0	0	2	2
<b>Total</b>		<b>12</b>	<b>1</b>	<b>22</b>	<b>13</b>	<b>9</b>	<b>57</b>

AMI - Area Median Income

The rent and utility allowance for each unit is as follows:

	<b># UNITS</b>	<b>Sq Ft</b>	<b>Rent</b>	<b>Utility Allowance</b>	<b>Total Rent</b>
1 BR-30% A	1	700	417	55	472
1 BR-30% E	2	750	417	55	472
1 BR-30% B	9	775	417	55	472
1 BR-40% B	1	775	575	55	630
1 BR-50% B	11	775	708	55	763
1 BR-60% B	1	775	862	55	917
1 BR-MKT B	3	775	1,025	0	1,025
2 BR-50% C	11	990	833	67	900
2 BR-60% C	8	990	993	67	1,060
2 BR- 60% D	3	1,132	1,033	67	1,100
2 BR- 60% D	1	1,133	1,033	67	1,100
2 BR- MKT D	2	1,133	1,300	0	1,300
2 BR- MKT D	2	1,133	1,300	0	1,300
2 BR-MKT D	2	1,141	1,300	0	1,300
-----	-----				
Total Units	57				
Total LIHTC Units	48				
Total Market Units	9				

The proposed development costs and funding sources are as follows: (The affordable housing development funds would be used to fund hard construction costs for the development).

<b>1. USES</b>	<b>TOTAL</b>	<b>2. SOURCES</b>	
=====	<b>COST</b>	=====	
LAND/SITE UTILITIES	850,000	FIRST MORTGAGE	3,337,780
SITE WORK	0	SECOND MORTGAGE	0
CONSTRUCTION @	7,222,600	DANE COUNTY FUNDS	342,220
CONTINGENCY	400,000	CITY OF MADISON 50% AHF	425,000
ARCHITECT/ENGINEER	207,000	CITY OF MADISON 50% AHF	425,000
INTERIM/CONSTRUCTION	286,000	DEFERRED DEVELOPER FEE	337,500
PERMANENT FINANCING	107,600	TAX CREDIT PROCEEDS	5,469,496
SOFT COSTS	251,500	FHLB	300,000
SYNDICATION COSTS	12,500		
DEVELOPMENT FEE & OH	1,015,596		
RESERVES/LEASE-UP	284,200		
<b>TOTAL USES</b>	<b>10,636,996</b>	<b>TOTAL SOURCES</b>	<b>10,636,996</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>				
	2020	2021	2022	2023	2024
	----	----	----	----	----
GROSS RENTAL INCOME	\$580,244	\$591,848	\$603,685	\$615,759	\$628,074
OCCUPANCY	93%	93%	93%	93%	93%
-----	-----	-----	-----	-----	-----
NET RENTAL INCOME	\$539,627	\$550,419	\$561,427	\$572,656	\$584,109
RETAIL SPACE (\$5/SF NNN)	\$11,444	\$11,673	\$11,907	\$12,145	\$12,388
STORAGE UNIT	\$0	\$0	\$0	\$0	\$0
PARKING	\$26,512	\$27,042	\$27,583	\$28,135	\$28,697
-----	-----	-----	-----	-----	-----
EFFECTIVE GROSS INCOME	\$577,583	\$589,134	\$600,917	\$612,935	\$625,194
REAL ESTATE TAX	(\$85,130)	(\$87,683)	(\$90,314)	(\$93,023)	(\$95,814)
RENT EXPENSE	(\$4,750)	(\$4,893)	(\$5,039)	(\$5,190)	(\$5,346)
ADMINISTRATIVE EXPENSE	(\$94,200)	(\$97,026)	(\$99,937)	(\$102,935)	(\$106,023)
UTILITIES EXPENSE	(\$59,000)	(\$60,770)	(\$62,593)	(\$64,471)	(\$66,405)
OPERATING & MAINTENANCE	(\$78,877)	(\$81,243)	(\$83,681)	(\$86,191)	(\$88,777)
INSURANCE	(\$21,000)	(\$21,630)	(\$22,279)	(\$22,947)	(\$23,636)
TAX CREDIT MONITORING	(\$2,200)	(\$2,266)	(\$2,334)	(\$2,404)	(\$2,476)
ANNUAL REPLACEMENTS	(\$17,613)	(\$18,141)	(\$18,686)	(\$19,246)	(\$19,824)
<b>NET OPERATING INCOME</b>	<b>\$214,813</b>	<b>\$215,482</b>	<b>\$216,055</b>	<b>\$216,527</b>	<b>\$216,894</b>
<b>D C R - FIRST</b>	1.30	1.31	1.31	1.32	1.32
<b>D C R - FIRST &amp; SECOND</b>	1.16	1.16	1.16	1.17	1.17

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) will just meet WHEDA program parameters. The Dane County Funds allow Normandy Square to reduce its debt service load and stay within the debt coverage parameters established to secure an award of Low Income Housing Tax Credits by reducing our first mortgage debt by the awarded Dane County funding request.

#### 4.4 Housing First

Normandy Square will further the county's goal of Housing First by the following:

- Using a less stringent 'B' screening criteria for residents who apply for our 30% affordable units.
- Providing permanent housing with reduced barriers to entry related to income guidelines and less stringent tenant screening practices. (Normandy Square will have 12 units at the 30% CMI rent and income level).
- Delivering a variety of supportive services via three 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 Tenant Screening Policies for further details on how Normandy Square is adjusting its policies to move toward a Housing First model.

Supportive services will be provided to all residents at Normandy Square at no cost and no obligation. Please review section 4.6 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 Normandy Square 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.

#### **4.5 Targeted Population**

Future residents that we anticipate receiving supportive services at Normandy Square Senior Apartments are those individuals and families with at least one member of the household age 55 or older. Targeted supportive services will be provided to Veterans, Homeless/Nearly Homeless Seniors that meet Federal Poverty Guidelines and Prison ReEntry individuals. The supportive services available to the residents of Normandy Square Senior Apartments will be provided for by the following non-profit agencies: Community Action Coalition (CAC), Middleton Outreach Ministry (MOM) and Madison-Area Urban Ministry (MUM).

Twelve (12) units at 30% CMI that will have 'supportive services' provided by outside agencies:

- 3-5 units for homeless/nearly homeless
- 1-3 units prison reentry housing
- 1-5 units for Veterans

MSP Real Estate, Inc. is working with the Community Action Coalition For South Central Wisconsin, Inc. (CAC), Madison-area Urban Ministry (MUM), and Middleton Outreach Ministry (MOM) to connect prospective residents to the supportive services they require. MSP Real Estate will be contracting with its property management arm, MSP Property Management, LLC (MSPPM) to manage the property and assist with marketing the supportive services outreach that is available. MSP Property Management, LLC will have a marketing plan in place where they will provide information to our 30% residents about the supportive services available from the agencies we have partnered with.

Additionally, Normandy Square Senior Apartments will provide a high quality housing option with strong amenity linkages to the surrounding community for residents (55+) at the 30% to 60% CMI income level as well as market rate residents.

## **4.6 Supportive Services Plan**

MSP Real Estate, Inc. is proposing a fifty-seven (57) unit senior (55+) housing project in the City of Madison, WI. Of the 57 units being proposed, 48 of those units are reserved for residents at or below sixty (60) percent of the county median income. Twelve (12) units will be supportive housing and residents that will qualify for those units will have to be at thirty (30) percent or less of the county median income.

MUM has agreed to provide monthly direct on-site case management visits as a condition of Normandy Square Senior accepting their referrals. This will be provided at no additional cost. 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 Normandy Square Senior that are active participants in their "Circles of Support" program.

MOM has agreed to a minimum of one proactive follow-up call for every referral within the first three months of their tenancy at Normandy Square Senior as a condition of Normandy Square Senior accepting their referrals. This is at no additional cost. This should be seen as a minimum because MOM's case management outreach always includes a detailed initial assessment that determines how they will case manage each individual/family, and so many individuals/families will receive additional active case management than the minimum noted above based on their initial assessment. This is MOM's standard program. The only deviation is the minimum of one check-in call during the first three months regardless of the initial assessment.

CAC supportive services includes only coordination of existing services that CAC already provides in the community. CAC will be able to refer prospective residents to Normandy Square Senior Apartments and offer case management services through its Supportive Services for Veterans Families (SSVF) program. Other services from CAC may include referrals to community partners for job training, or employment, and assistance for applying for VA programs and services.

### **Supportive Service Availability**

Residents living in our 30% units will receive marketing information from our on-site property manager about the services our supportive service partners can provide to individuals and families that need these services. Additionally, our supportive services partners will refer prospective residents to Normandy Square Senior Apartments through their own outreach in the community. Irrespective of this outreach residents will have a choice of who the service provider will be, regardless of the supportive housing management plan in place. See the following for a more detailed description of the types of supportive services each of our partners can provide to prospective 30% residents of Normandy Square Senior Apartments:

**Community Action Coalition** through its own existing contracts and services will make referrals to Normandy Square Senior Apartments for our 30% set-aside apartments. These referrals will be made based on a CAC assessment of the referrals needs and the current availability of housing at Normandy Square Senior Apartments. The referrals we expect to receive from CAC will be for the one bedroom 30% units for individuals/families qualified to receive supportive services under the Supportive Services for Veterans Families (SSVF). To provide these services MSP Real Estate has entered into a Memorandum of Understanding with CAC to work together at Normandy Square Senior Apartments in order to provide supportive services to residents. This relationship will further the mission of the CAC by providing housing and supportive services to those in need in Dane County. Enclosed following this section is the MOU with CAC for review.

Supportive Services for Veterans Families (SSVF) provides case management and temporary financial assistance to low-income veterans (single individuals and those with families) to assist homeless vets, or nearly-homeless individuals and families and/or to help them maintain stable (decent, safe) housing.

Case Management/Supportive services that can be provided to families receiving SSVF assistance can include the following:

Services include:

- Assistance locating and securing housing – referrals to prevent homelessness
- Housing Consultation
- Information and referral
- Landlord/tenant mediation
- Budget Consultation
- Family Support

Additional Services include:

- Financial Assistance. CAC helps participants acquire and improve the skills they need to increase their financial security. CAC provides assistance for individuals experiencing a short-term financial crisis and for those interested in improving their financial literacy and money-management skills.
- Housing Support. CAC has limited funds to help those who need financial assistance due to a housing crisis. Financial assistance is provided through a monthly drawing on for Homelessness Prevention on the 2nd Wednesday of the month and one for Rapid Re-Housing on the 3rd Wednesday of the month. After talking to an Intake worker, individuals may be eligible for financial assistance. Households selected during the monthly drawings will be contacted immediately about selection. Households not selected will not be contacted but are welcome to inquire about selection and to enter into the next month's drawing if still eligible.



- Telephone Assistance. CAC has programs to assist with getting a new telephone installed or to help with past-due phone bills (landlines only). CAC also provides financial assistance and budget consultation to help households maintain or establish internet and phone service in a time of financial stress.

**See support letter and Memorandum of Understanding from CAC in Appendix E**

**Middleton Outreach Ministry (MOM)** through its own existing services and outreach will make referrals to Normandy Square Senior Apartment for our 30% set-aside apartments. These referrals will be made based on MOM's assessment of the referrals needs and the current availability of housing at Normandy Square Senior Apartments. The referrals we expect to receive from MOM will be for our one bedroom 30% units for individuals/families.

MOM has two case managers at the MOM main office located at 3502 Parmenter Street, Middleton WI that will work with individuals/families as requested and needed. Case managers will develop written plans of action and follow-up typically for periods of 3 to 6 months for individuals/families who request additional services.

Individuals/families referred to Normandy Square Senior Apartments will receive the following additional support services from MOM as needed.

**Housing Assistance**

Through the Preventing Homelessness programs at Middleton Outreach Ministry, Case Managers provide housing counseling and financial mentoring, which helps prevent eviction and assists in maintaining long-term stable housing.

MOM can provide up to \$500 in a calendar year for rental housing needs. There can be additional financial rental support on a case by case basis determined by the Case Management staff.

Case Managers also make sure that individuals/families are registered for the Food Pantry, which they can use as often as they need. With the ability to always have access to food, people no longer need to worry about being "food insecure" and can focus their resources on their other urgent and necessary bills.

MOM follows up with grant recipients and mediates with landlords to help them keep their housing.

**Food Pantry**

The Food Pantry is MOM's flagship operation. Operating year round, six days per week, MOM serve(s) over 4,000 people each month, including nearly 2,000 children. Guests to the Pantry can take as much food as they can use and can visit as often as they need, effectively eliminating hunger for anyone in MOM's service area (west side of

Madison). MOM also partners with Second Harvest Food Bank and Community Action Coalition.

### **Clothing**

Gently used clothing and linens are provided free of charge through the Clothing Center, serving more than 4,000 people per month and helping MOM customers stretch their limited dollars.

The clothing program is located at the Distribution Center at 3502 Parmenter Street, Middleton, WI

### **Emergency Funds**

Small grants may be available to assist with car repairs, medical prescriptions and document replacements. A limited number of Madison Metro bus tickets may be available for those needing to get to important medical appointments or job interviews.

### **Help for Seniors**

The Seniors Program keeps seniors (age 60+) independent by providing several services:

#### **Transportation and Shopping Assistance**

Rides are given to and from appointments, as well as the grocery store and other necessary places.

#### **Seasonal Support**

MOM provides seasonal and holiday assistance to relieve stress and allow families to use their limited resources for basic needs, such as rent and utilities.

Thanksgiving Baskets – providing thanksgiving baskets to families in need.

Sharing Christmas Program – providing gifts and the holiday spirit to area individuals, seniors, and families.

#### **See support letter from Middleton Outreach Ministry in Appendix E.**

**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 Normandy Square Senior Apartments for our 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 Normandy Square Senior Apartments.

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.

**See support letter from Madison area Urban Ministry in Appendix E.**

#### 4.7 Tenant Screening Policies:

MSPPM Property Management LLC has extensive knowledge in qualifying and making sure residents are eligible for tax credit or market rate units they are applying for. MSPPM has over 10 years of experience providing management services in the state of Wisconsin and the Midwest. MSPPM will find eligible tenants through various advertising and outreach efforts. For all of our market rate and tax credit units at or above 40% CMI MSPPM will be employing a criteria 'A' screening tool based on income, credit worthiness and prior housing references.

For our 30% targeted 'supportive housing' units ONLY 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 Normandy Project (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 of 1<sup>st</sup> payment made

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 99 years but allow for appeals and consideration for extenuating circumstances

Test – Deny for non-violent felony convictions within the last 99 years but allow for appeals and consideration for extenuating circumstances

Test – Use in-house Yardi criteria for misdemeanor convictions that require a 7 year lookback.

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

**MSP 'B"SCREENING CRITERIA CRIMINAL OFFENSES**

**Yardi Resident Screening CRIMINAL SCORING POLICY**

**PRODUCT:** Premium National Criminal & Premium Eviction

**ACTIVATION DATE:**

**POLICY REVISION DATE:**

**SPECIAL PROCESSING INSTRUCTIONS**

**Setup to never process a county or state supplemental criminal search.**

Offenses	Felony	Misdemeanor	Misdemeanor Anti Social - Anti-Social Convictions are a combination of any of the misdemeanor offenses included in this anti-social category below.	Return Records
1) Alcohol Related	0 years	0		
2) Arson	99 years	7 years		
3) Assault &/or Battery	99 years	7 years		
4) Bad Checks	0 years	0		
5) Burglary	99 years	0		
6) Crimes Against Animals	5 years	2years		
7) Crimes Against Children	99 years	7 years		
8) Crimes against Gov't or Gov't Officials	99 years	0		
9) Crimes involving computers (cybercrime)	0 years	0		
10) Destruction/Damage/Vandalism of property	99 years	7 years		
11) Disturbance to Peace & Order	99 years	0		
12) Domestic Crimes	99 years	0		
13) Drug	15 years	7 years		
14) Drug - Sale, Manufacture, Distribution	20 years	7 years		
15) Embezzlement	0 years	0		
16) Fraud	0 years	0		
17) Gambling	0 years	0		
18) Harassment	5 years	0		
19) Homicide	99 years	7 years		
20) Kidnapping	99 years	7 years		
21) Organized Crime/Conspiracy	99 years	0		
22) OUI, OVI, DWI	0 years	0		
23) Petit Theft	0 years	0		
24) Purposefully obstructs, impairs or perverts the law	99 years	0		
25) Registered Sex Offender	99 years	99 years		
28) Robbery	20 years	0		
29) Sex Crimes - Other	99 years	99 years		
30) Sex Crimes against a person	99 years	99 years		
31) Theft/Larceny	5 years	0		
32) Traffic Violations	0years	0		
33) Trespassing	5 years	0		
34) Weapons	20 years	7 years		
35) Incarceration Due to Conviction.	See chart	0	Release date within the # of years stated to the left.	
36) Any offense not listed above	99 years	0		

#### 4.8 Funding Leverage

Volatility in tax credit pricing and increasing construction costs have created the need for this Dane County Housing funding request.

The Dane County Affordable Housing Funds will complete (fill the gap) the funding level required to ensure the development completes its construction budget with no shortfalls. The Dane County Affordable Housing Funds will also enhance the project's ability to reduce the first mortgage debt and provide a greater number of deeper rent subsidized LIHTC units. Normandy Square Senior Apartments will be providing 12 – 30% CMI units and 1– 40% CMI unit.

Without access to sources of financing such as Dane County Affordable Housing Funds, City of Madison Affordable Funds, Federal Home Loan Bank –Affordable Housing Program Funds and Low Income Housing Tax Credits projects such as Normandy Square Senior Apartments could not offer approximately 83% of its apartments at rent levels of 60% or below the county median income. We have designed the project to include the largest possible number of affordable units attainable with ALL of the proposed funding sources.

Source	Amount	Percentage of Total Project Cost
Investor Equity	\$5,469,496	51.4%
First Mortgage	\$3,337,780	31.4%
City of Madison AHP Funds	\$850,000	8%
FHLB – AHP Note	\$300,000	2.8%
Deferred Development Fee	\$336,556	3.2%
Dane County Funds	\$342,220	3.2%
Total Sources	\$10,636,996	100%

The total development costs for Normandy Square Senior Apartments is \$10,636,996.

We are requesting \$342,220 in Dane County Affordable Housing Funds or \$4,820 for each of the 71 affordable bedrooms in this development. This level of Affordable Funding support would equal approximately 3.2% of the total funding sources.

Other funding leverage we have secured is an award of \$850,000 (8% of the development costs) from the City of Madison. We have also secured a loan commitment from Town Bank for the first mortgage debt of \$3,337,780 (31.4% of the total development costs).

We have pending an application for Low Income Housing Tax Credits that would provide an additional \$5,469,496 in equity or 51.4% of the development costs.

Securing a tax credit award from WHEDA (anticipated late May or Early June 2017) will truly leverage the Dane County Affordable Housing Funds support for this project by providing an additional \$5.469 million in tax credit equity investment for the City of Madison and Dane County.

<b>RFP COVER PAGE SIGNATURE AFFIDAVIT</b>	
<b>NAME OF FIRM:</b>	MSP Real Estate
<b>STREET ADDRESS:</b>	1295 Northland Drive Suite 270
<b>CITY, STATE, ZIP</b>	Mendota Heights, MN 55120
<b>CONTACT PERSON:</b>	Mark Hammond
<b>PHONE #:</b>	(612) 868-9997
<b>FAX #:</b>	
<b>EMAIL:</b>	mhammond@msphousing.com

In signing this proposal, we also 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 proposal; that this proposal has been independently arrived at without collusion with any other proposer, competitor or potential competitor; that this proposal has not been knowingly disclosed prior to the opening of proposals to any other proposer or competitor; that the above statement is accurate under penalty of perjury.

The undersigned, submitting this proposal hereby agrees with all the terms, conditions, and specifications required by the County in this Request for Proposal, and declares that the attached proposal and pricing are in conformity therewith.

<b>Signature</b>	<u>Director of Development and General Counsel</u>
	<b>Title</b>
<u>Mark Hammond</u>	<u>5/04/2017</u>
<b>Name (type or print)</b>	<b>Date</b>

**Addendums** -This firm hereby acknowledges receipt / review of the following addendum(s) (If any)

Addendum # \_\_\_\_\_ Addendum # \_\_\_\_\_ Addendum # \_\_\_\_\_ Addendum # \_\_\_\_\_



**VENDOR REGISTRATION CERTIFICATION**

Per Dane County Ordinance, Section 62.15, "Any person desiring to bid on any county contract must register with the purchasing manager and pay an annual registration fee of \$20."

Your completed Vendor Registration Form and Registration Fee must be received for your bid to be considered for an award. Your bid/response may not be evaluated for failure to comply with this provision.

Complete a registration form online by visiting our web site at [www.danepurchasing.com](http://www.danepurchasing.com). You will be prompted to create a username and a password and you will receive a confirmation message, then log back in and complete the registration. Once your registration is complete you will receive a second confirmation. Retain your user name and password for ease of re-registration in future years.

Payment may be made via credit card on-line or by check in the mail or in person at the Purchasing Division office. If paying by check make check payable to Dane County Treasurer and indicate your federal identification number (FIN) on the subject line.

**CERTIFICATION**

The undersigned, for and on behalf of the **PROPOSER, BIDDER OR APPLICANT** named herein, certifies as follows:

- This firm is a paid, registered vendor with Dane County in accordance with the bid terms and conditions.

Vendor Number **#26855**

Paid until 3/14/2018

Date Signed: 5/04/2017

**Mark Hammond**  
Officer

**MSP Real Estate Inc.**  
Business Name

<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>	30 W Mifflin St, Suite 800		
<b>CITY, STATE, ZIP</b>	Madison, WI 53701		
<b>CONTACT PERSON:</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Jim O'Keefe</td> <td style="width: 50%;"><b>EMAIL:</b> jokeefe@cityofmadison.com</td> </tr> </table>	Jim O'Keefe	<b>EMAIL:</b> jokeefe@cityofmadison.com
Jim O'Keefe	<b>EMAIL:</b> jokeefe@cityofmadison.com		
<b>PHONE #:</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">608-266-7851</td> <td style="width: 50%;"><b>FAX #:</b> 608-261-9661</td> </tr> </table>	608-266-7851	<b>FAX #:</b> 608-261-9661
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 Monona, Planning and Economic Development Department		
<b>STREET ADDRESS:</b>	5211 Schluter Road		
<b>CITY, STATE, ZIP</b>	Monona, WI 53716		
<b>CONTACT PERSON:</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Sonja Reichertz</td> <td style="width: 50%;"><b>EMAIL:</b> sreichertz@ci.monona.wi.us</td> </tr> </table>	Sonja Reichertz	<b>EMAIL:</b> sreichertz@ci.monona.wi.us
Sonja Reichertz	<b>EMAIL:</b> sreichertz@ci.monona.wi.us		
<b>PHONE #:</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">608-222-2525</td> <td style="width: 50%;"><b>FAX #:</b></td> </tr> </table>	608-222-2525	<b>FAX #:</b>
608-222-2525	<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>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">John Stibal</td> <td style="width: 50%;"><b>EMAIL:</b> jstibal@westalliswi.gov</td> </tr> </table>	John Stibal	<b>EMAIL:</b> jstibal@westalliswi.gov
John Stibal	<b>EMAIL:</b> jstibal@westalliswi.gov		
<b>PHONE #:</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">414-302-8462</td> <td style="width: 50%;"><b>FAX #:</b> 608-829-4445</td> </tr> </table>	414-302-8462	<b>FAX #:</b> 608-829-4445
414-302-8462	<b>FAX #:</b> 608-829-4445		
<b>Product(s) and/or Service(s) Used:</b>	Affordable Housing/Senior Housing Public/Private Partnership		

**Designation of Confidential and Proprietary Information**

The attached material submitted in response to this Response 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 response be treated as confidential material and not be released without our written approval. Attach additional sheets if needed.

Section	Page Number	Topic
4.3 Project Description	31 & 32	Rent table, Sources and Uses Table, 5 year proforma
4.8 Funding Leverage	43	Funding leverage narrative, Table of Sources

Check mark :  This firm is not designating any information as proprietary and confidential which qualifies as trade secret.

**Prices always become public information when responses 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, the undersigned hereby agrees to provide legal counsel or other necessary assistance to defend the Designation of Confidentiality.**

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

\_\_\_\_\_  
**Signature**

Mark Hammond  
**Name (type or print)**

Director of Development and General Counsel  
**Title**

5/04/2017  
**Date**



1717 N. Stoughton Road, Madison, WI 53704-2605 . 608-246-4730 . 608-246-4760 Fax  
114 E. Main Street, Watertown, WI 53094-3747 . 920-262-9667 . 920-262-9559 Fax  
2312 N. Grandview Boulevard, Waukesha, WI 53188-1600 . 920-988-2196 . 608-246-4760 Fax  
www.cacscw.org

January 25, 2107

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

RE: 2017 WHEDA Tax-Credit Rental Housing Development – Normandy Square

Dear Mr. Hammond,

Community Action Coalition For South Central Wisconsin (CAC) is a nonprofit organization that provides services to Dane, Jefferson, and Waukesha County. The mission is to develop economic and social capacities of individuals, families, and communities to reduce poverty in the counties mentioned. The services CAC provides in Dane County include financial assistance (housing support), homelessness prevention services, supportive services in addition to housing assistance, housing case management, food security programs, and a clothing center. Included in these services are "light touch" supportive services to veteran individuals and families. The location of your proposed project Normandy Square, located at 6509 Normandy Lane does fall within our targeted service area for providing supportive services.

It is understood that Normandy Square will be an affordable rental development that will create 12 – 1 bedroom units for Senior individuals/families who are at 30% of the county median income.

As discussed with Jim Rodgers and Danny DiFrancesco, other MSP employees, CAC will include Normandy Square on the weekly housing vacancy listing of housing options that are appropriate for the participants and within the CAC service area. CAC will make referrals to Normandy Square as a housing option when appropriate. CAC operates a supportive services program specifically for veterans. If the veterans are accepted into housing at Normandy Square CAC will be able to extend its limited resources and support to these senior individuals/families should MSP become a successful applicant to the Low Income Tax Program at WHEDA.

CAC strongly supports the proposed apartment community that MSP intends to build as a new affordable housing option that does not currently exist in the community.

If you have any questions feel free to call me at (608) 246-4730 x215.

Sincerely,

Libby Rowe  
Interim Executive Director





*Preventing Homelessness, Ending Hunger*

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February 20, 2017

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

RE: 2017 WHEDA Tax-Credit Rental Housing Development – Normandy Square

Dear Mr. Hammond,

Middleton Outreach Ministry (MOM) is the primary local 501©3 nonprofit that provides free commodities (food, clothing, household goods) and emergency funds for housing and utility assistance to more than 1500 of families per year which meet the federal poverty guidelines and live in the MOM service area. Our service area is the entire Middleton Cross Plains School District and part of the west side of Madison (west of Midvale and north of the Beltline) and the location of your proposed project Normandy Square, located at 6509 Normandy Lane does fall within our targeted service area for providing supportive services.

My understanding is Normandy Square apartments will be an affordable senior rental development that will be providing housing for 12 – 1 bedroom units for individuals/families at 30% of the county median income.

As discussed with Jim Rodgers, another MSP employee, MOM would extend its resources and support to individuals/families anticipated to live at Normandy Square should it become a successful applicant with the City of Madison Affordable Housing Fund. Additionally, upon request, we would provide the families we serve a list of housing options available in our service area and Normandy Square would be added to our list when available!

MOM welcomes and strongly supports the proposed apartment community on Normandy Lane that MSP intends to build as a new affordable housing option in that area.

If you have any questions feel free to call me at (608) 826-3408.

Sincerely

Al Ripp  
Executive Director

February 14, 2017

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



RE: 2017 WHEDA Tax-Credits Rental Housing Development – Normandy Square

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, Breaking Barriers AODA Support Group and The Phoenix Initiative re-entry support group) which provides the basis for the 'support services' that MUM would provide to prison reentry individuals residing at Normandy Square Senior Apartments.

My understanding is Normandy Square will be an affordable senior rental development that will be providing housing for 12 – 1 bedroom apartments at a 30% income and rent limit. Furthermore, from 1 to 3 of these 1 bedroom units will be set aside specifically as 'prison reentry' apartment units.

As discussed with Jim Rodgers, another MSP employee, MUM will extend its resources and support to individuals/families that are anticipated to live at Normandy Square should it become a successful applicant of 2017 WHEDA tax credits.

MUM strongly supports the proposed apartment community that MSP intends to build as a new affordable housing option that does not currently exist in the community that will provide necessary additional prison reentry housing options for seniors in the City of Madison.

If you have any questions feel free to call me at (608) 836-7338.

Sincerely

  
Linda Ketcham  
Executive Director  
Madison-area Urban Ministry

## MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (the "MOU") is made this 25th day of January, 2017 (the "Effective Date"), by and between the Community Action Coalition For South Central Wisconsin, Inc.(CAC), and MSP Real Estate, Inc or its assigns. (Developer).

### WITNESSETH

**WHEREAS**, the Developer is the developer of a proposed Fifty-Seven (57) unit senior housing development named Normandy Square Senior Apartments to be located at 6509 Normandy Lane in the City of Madison, County of Dane, Wisconsin (the "Project").

**WHEREAS**, the Developer or its principal will have an interest in the owner of the Project (the "Project Owner").

**WHEREAS**, CAC is an independent, non-profit 501(c)3 organization which, through a grant provided by the U.S. Department of Veterans Affairs, provides supportive services to low income Veteran families and seniors in or transitioning to permanent housing. Through the Supportive Services Veterans Families (SSVF) Program, CAC provides eligible Veteran families (who have one member age 55 or older) and seniors (Age 55 or older) with outreach, case management and assistance in obtaining VA and other benefits, which may include healthcare, daily living services, financial planning, transportation, legal services, childcare and housing consultation. CAC may also provide time-limited payments to third parties (e.g., landlords, utility companies, moving companies and licensed childcare providers) if these payments help Veterans' families stay in or acquire permanent housing on a sustainable basis.

**WHEREAS**, to be eligible for services under the SSVF Program, families and senior individuals must:

- 1) Have a member who served in the military on active duty and received an honorable discharge;
- 2) Be low-income (i.e., earning at/or less than 30% of the area median income); and
- 3) Be homeless or be at imminent risk of becoming homeless (per HUD definitions)

**WHEREAS**, the intent of this Memorandum is to confirm the mutual desire and commitment of CAC and Developer to initiate a collaborative relationship to ensure eligible veterans are aware of the availability of affordable housing units in the Project, refer Veterans to the Project and those units and to further the goal of the SSVF Program to promote housing stability among low income Veteran families and seniors.

**WHEREAS**, the Developer is seeking financial support for the Project from the Wisconsin Housing and Economic Development Authority through the Section 42 Low Income Housing Tax Credit Program (LIHTC).

**WHEREAS**, the Developer wishes to proactively establish an area referral network that includes CAC.

**NOW THEREFORE**, the Developer and CAC agree:

- 1) The Project intends to provide one to five supportive housing units at rents affordable to those earning 30% or less of the area median income. The target population for these supportive housing units is families with one household member age 55 or older or single individuals age 55 or older who income qualify for 30% rent restricted units and qualify to receive supportive services under the Supportive Services for Veterans Families program (SSVF).
- 2) Should the Project be developed, the Project Owner and/or its property management agent will, during lease-up and whenever one of the supportive housing units is vacant, contact CAC as well as other area local partners asking for referrals of prospective residents who are low income and are veterans. This contact will be made by the Project Owner or the onsite property management agent staff via email or phone.
- 3) The Project Owner's property management agent will establish a waiting list of prospective residents based on referrals described above.
- 4) The Project Owner and its property management agent will endeavor to make existing and prospective residents aware of services and resources available to them from CAC by provision of a tenant resource area within the common area of the Project.
- 5) CAC acknowledges that neither the Developer nor the Project Owner will provide supportive services to residents of the Project. Instead, the Project Owner will refer residents to CAC and other area local partners who will then assist these residents in locating required services and funding appropriate to their individual needs. CAC will provide these residents local or State Veteran-specific services and resources.
- 6) Residents will not be required to receive any services in order to reside in the Project. Residents that desire to receive services will have their choice in service provider(s).
- 7) CAC will refer prospective senior veteran residents to the Project. If a resident of the Project chooses to receive services from CAC, CAC will provide case management services through its SSVF program. Services may include referrals to community partners for job training, or employment, and assistance for applying for VA programs and services.
- 8) CAC shall provide the Project Owner and its agents with brochures and other materials in order for Project Owner to make residents aware of services offered by CAC. CAC also will include the Project on a list of housing options for low income senior veterans seeking housing.



## **Administrative Provisions**

### **Duration**

This MOU is subject to the Project receiving an award of LIHTC, with operations expected to commence on January 1, 2018. If the Project does not receive an award of LIHTC by July 31st, 2017 this MOU shall automatically terminate and be of no further force and effect. The initial term of this MOU shall commence upon the Project's receipt of the LIHTC award and shall renew one year from commencement of leasing operations at the Project. This MOU shall be automatically extended for one-year terms throughout the Project's LIHTC compliance period. Either party may terminate this MOU with 30 days' notice at the end of the initial term or at the end of any one-year term thereafter. If any provision of this Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable.

### **Relationship of Parties**

CAC is an independent, non-profit 501(c)3 and will not provide wages, taxes or fringe benefits such as health insurance, paid vacation or any other benefit to any MSP Real Estate Inc. or its assigns and MSP Property Management LLC employees.

### **Indemnification**

MSP Real Estate Inc. or its assigns agrees to indemnify and hold CAC and its directors, officers, agents, volunteers and employees against any and all claims, losses, expenses, fees (including reasonable attorney's fees) and judgments that may be asserted against CAC that result from or are in anyway related to the negligence or misconduct of MSP Real Estate Inc. or its assigns and MSP Property Management LLC, its directors, officers, agents, volunteers and employees.

CAC agrees to indemnify and hold harmless MSP Real Estate Inc. or its assigns and MSP Property Management LLC and its directors, officers, agents, volunteers and employees against any and all claims, losses, expenses, fees (including reasonable attorney's fees) and judgments that may be asserted against MSP Real Estate Inc. or its assigns and MSP Property Management LLC that result from or are in any way related to the negligence or misconduct of CAC, its directors, officers, agents, volunteers and employees. MSP Real Estate Inc. or its assigns will submit a Certificate of Insurance to CAC that indicates General Liability. In addition, MSP Real Estate Inc. or its assigns will provide an updated certification for the next year after January 1, 2018.

### **Amendments**

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

### **Confidentiality**

It is agreed that by virtue of entering into this MOU each party will have access to certain confidential information regarding the other party's operations related to this Project. MSP Real Estate Inc. or its assigns recognizes that CAC has and will have data, records and other proprietary information which are valuable, special and specific to the participants. MSP Real Estate Inc. or its assigns and CAC recognize that their staff will not at any time or in any manner, either directly or indirectly, use any information for its own benefit, or divulge, disclose, or

communicate in any manner any information to any third party without the prior written consent of the other party. MSP Real Estate Inc. or its assigns and CAC will protect said information and treat it as strictly confidential. Unauthorized disclosure of confidential information shall be considered a material breach of this MOU. Where appropriate, client releases will be secured before confidential client information is exchanged. Confidential client information will be handled with the utmost discretion and judgment. The confidentiality provision of this MOU shall remain in full force and effect after the termination of the MOU.

**Records:** MSP Real Estate Inc. or its assigns recognizes that any records, notes, data, that are in the CAC office are considered CAC property as they related to MSP Real Estate Inc. or its assigns business and will be maintained as such.

**Payment for approved services:** CAC will process the payments to third party vendors through its regular accounting procedures. No payments will be made directly to MSP Real Estate Inc. or its assigns or MSP Property Management LLC.

**Nondiscrimination**

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

**Notices:** All notices required or permitted under this MOU shall be in writing and shall be deemed delivered in person, electronically (i.e. email and/or attachment) or deposited in the U.S. Mail, postage prepaid and addressed as follows:

For CAC: Community Action Coalition For South Central Wisconsin, Inc.  
1717 N. Stoughton Road  
Madison, WI 53704-2605

For Developer: MSP Real Estate, Inc. or its assigns  
1295 Northland Drive Suite 270  
Mendota Heights MN 55120

**Signatories:**

MSP Real Estate, Inc.

Community Action Coalition For South  
Central Wisconsin, Inc.

By: 

By: 

Date: 1/22/2017

Date: 1/25/2017

Name: Milo Pinkerton  
Title: President  
Office: 952-351-4542  
Email: [milo@msphousing.com](mailto:milo@msphousing.com)

Name: Elizabeth Rowe  
Title: Interim Executive Director  
Office: 608-246-4730 ext. 215  
Email: [libby6@cacscw.org](mailto:libby6@cacscw.org)