

2019 RES-156
APPROVING AGREEMENTS AND PURCHASES
SUPPORTING AN AFFORDABLE HOUSING PROJECT
AT THE FORMER MESSNER PROPERTY IN THE CITY OF MADISON

In November of 2015, the county purchased the former Messner building on the 1300 block of East Washington Avenue for the purposes of establishing a day resource center for the community's homeless population. The effort to establish the center at that location ended when the county purchased the building at 615 East Washington where the center is currently located.

In September of 2017, the county issue a request for proposals to redevelop the Messner site as a mixed use affordable housing project. The RFP provided that the site would be leased to the developer at a nominal cost for a period of 99 years. Gorman and Company was awarded the opportunity to serve as the county's development partner on the project.

Gorman's proposal, called Valor on Washington, was awarded tax credit financing in the Spring of 2019. The project has also been awarded funding through the affordable housing development funds of both the City of Madison and Dane County.

The Valor on Washington project is a new construction development consisting of a mix of affordable and market-rate units for families. Specifically, this development will target veteran families. Valor on Washington features 59 total units total in one six-story building – this includes (29) two-bedroom, (28) three-bedroom, and (2) four-bedroom units. There are 9 market rate units and 50 affordable units, which includes (8) project-based voucher units whereby tenants pay 30% of their income on rent; (4) 30% AMI units; (28) 50% AMI units; and (10) 60% AMI units. Supportive services for these units will be provided by Lutheran Social Services, who will also have an ownership interest in the housing component.

The Valor on Washington project includes a partnership with Dryhootch to provide Veteran services. Dryhootch is a nonprofit organization, formed with the mission of creating safe, comfortable places where Veterans can gather informally in a drug- and alcohol-free environment. Space on the first floor has been designed to accommodate their services. The development includes structure parking for residents (approx. 73 stalls) and 12 surface parking stalls for visitors, staff, and Dryhootch.

This resolution provides for approval of the agreements between the county and Gorman and Company. Specifically, the resolution approves the land lease for the site, and the purchase and lease back of a portion building to deliver the funding under the county's affordable housing development fund.

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THEREFORE BE IT RESOLVED that the County Board authorizes the lease of the site of the site to Gorman and Company or its affiliates, and the County Executive and County Clerk are authorized to execute the lease, and

BE IT FUTHER RESOLVED that the County Board authorizes the purchase of a condominium unit to be developed by Gorman and Company or its affiliates, and

BE IT FUTHER RESOLVED that the County Board authorizes the lease of the condominium unit to Gorman and Company or its affiliate, and the County Executive and County Clerk are authorized to execute the lease;

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