2025 RES-186

AFFIRMING THE 2025 AFFORDABLE HOUSING DEVELOPMENT FUND AWARDS DCDHS – HAA DIVISION

Dane County Department of Human Services (DCDHS) Housing Access and Affordability (HAA) plans to award funding to six projects from the 2025 Affordable Housing Development Fund (DCAHDF) to support the creation of 494 units of affordable housing. The fund had over $25,000,000 to award through an application process in 2025.

Submitted eligible applications to the DCAHDF totaled $43,893,537 in funds requested. Awarded projects will generate 374 new units of affordable housing in the City of Madison, and 120 units in the communities of Fitchburg and Mount Horeb.

Review of the applications resulted in award recommendations to the following projects:

A. $8,000,000 to Lutheran Social Services of Wisconsin and Upper Michigan, Inc. & JT Klein Company, Inc. for Oak Ridge Fitchburg, an 80-unit senior development located at Orchard Pointe Lot 11 (approx. 6270 Nesbitt RD), Fitchburg. The proposed project includes forty-eight (48) 1-bedroom, and thirty-two (32) 2-bedroom. All eighty (80) units will be affordable: seventeen (17) to households at 30%, thirty-four (34) at 50%, and twenty-nine (29) at 80% of the County Median Income (CMI). Oak Ridge Fitchburg will target sixteen (16) units to individuals & families experiencing homelessness. The project has secured a 9% tax credit award.

B. $900,000 to Dream Real Estate for United Residences Senior, a 24-unit senior project located at 709 Northport DR, Lot 4, Madison. The project will include thirteen (13) 1-bedroom, and eleven (11) 2-bedroom units. Five (5) units will be affordable to households at 30%, ten (10) units at 50%, and nine (9) units at 80% CMI. Five (5) units will be targeted to households experiencing homelessness. The project submitted 4% Federal Non-Competitive tax credit application to WHEDA in July.

C. $3,800,000 to Mount Horeb Community Development Authority and JT Klein Company, Inc. for Oak Ridge Mount Horeb, a 40-unit senior development located at 101 Perimeter ST, Mount Horeb. The proposed project includes twenty-four (24) 1-bedroom, and sixteen (16) 2-bedroom units. Eight (8) units will be affordable to households at 30%, sixteen (16) units will be affordable to households at 50%, and the remaining sixteen (16) units will be affordable to households at 80% CMI. Oak Ridge Mount Horeb will target eight (8) units to households experiencing homelessness. The project anticipates submitting an application to WHEDA for 4% tax credits.

D. $4,000,000 to Dream Real Estate for United Residences, an 80-unit project located at 709 Northport DR, Lot 1, Madison. The project will include seven (7) studio, thirty-three (33) 1-bedroom, twenty-one (21) 2-bedroom, and nineteen (19) 3-bedroom units. Sixteen (16) units will be affordable at 30%, thirty-two (32) units will be affordable at 50%, and thirty-two (32) units will be affordable at 80% CMI. United Residences will target sixteen (16) units to households experiencing homelessness. The project submitted 4% Federal Non-Competitive tax credit application to WHEDA in July.

E. $3,500,000 to Timberline Terrace, LLC, for Timberline Terrace, a ninety-three (93) unit project located at 4506 Verona RD, Madison. The project will include forty-five (45) 1-bedroom, twenty-three (23) 2-bedroom, and twenty-five (25) 3-bedroom apartments. Twenty-one (21) units will be affordable at 30%, forty-one (41) units affordable at 50%, and thirty-one (31) units affordable at 80% CMI. Timberline Terrace will target nineteen (19) units to households experiencing homelessness. The project has secured a 4% tax credit award.

F. $5,079,999 to Volker Development, Inc., Gabe Fritz and Lutheran Social Services of Wisconsin and Upper Michigan, Inc., for Volker and LSS – Madison 4% (E Wash & Fair Oaks), a one hundred and seventy-seven (177) unit project at 3357, 3359, 3361, 3371,3375 East Washington Ave and 922, 926,930 N Fair Oaks, Madison. The project will include seventy-six (76) 1-bedroom, sixty-eight (68) 2- bedroom, and thirty-three (33) 3-bedroom units. Thirty-six (36) units will be affordable to households at 30%, sixty (60) units at 50%, and eighty-one (81) units at 80% CMI. Thirty-six (36) units will be targeted to households experiencing homelessness. The project submitted 4% Federal Non-Competitive tax credit application to WHEDA in August.

In the event additional Affordable Housing Development Funds are identified and available for allocation prior to December 31, 2025, projects are recommended in the following order as funding allows:

G. Increase funding to Volker Development, Inc., Gabe Fritz and Lutheran Social Services of Wisconsin and Upper Michigan, Inc., for Volker and LSS – Madison 4% (E Wash & Fair Oaks) full request of $5,500,000.

H. $4,000,000 to Volker Development, Inc., Gabe Fritz and Lutheran Social Services of Wisconsin and Upper Michigan, Inc., for Volker and LSS – Madison 4% (E Wash & Ridgeway), a ninety-one (91) unit senior project at 3238, 3230, 3222 E Washington Ave and 3229 Ridgeway Ave, Madison. The project will include fifty (50) 1-bedroom, and forty-one (41) 2- bedroom units. Nineteen (19) units will be affordable to households at 30%, twenty-nine (29) units at 50%, and forty-three (43) units at 80% CMI. Nineteen (19) units will be targeted to households experiencing homelessness. The project submitted 4% Federal Non-Competitive tax credit application to WHEDA in August.

I. $2,600,000 to MSP Real Estate for Oregon Main Apartments, a fifty-seven (57) unit senior project located at 203 Main ST, Oregon. The project will include twenty-six (26) 1-bedroom, and thirty-one (31) 2-bedroom units. Twelve (12) will be affordable to households at 30%, twenty-seven (27) units at 50%, and eighteen (18) at 60%

CMI. Twelve (12) units will be targeted to households experiencing homelessness. The project submitted 4% Federal Non-Competitive tax credit application to WHEDA in August. The project has secured a 9% tax credit award.

Individual project funds will be granted to the Dane County Housing Authority (DCHA) that will then loan funds to project developers pursuant to the executed Memorandum of Understanding between Dane County and the DCHA. DCHA will receive an administrative fee for each project structured with a grant from the County to DCHA and a loan from DCHA to the developer. The administrative fee will be added to the applicant funding request.

Resolutions specific to each individual project will be forwarded to the County Board to approve documents related to the financing structure of each individual project.

THEREFORE, BE IT FINALLY RESOLVED that the County Board affirms the awards for the 2025 Affordable Housing Development Fund.