



TAREEN  
DEVELOPMENT  
PARTNERS



# Brayton Parking Lot – RFP

July 9, 2025

## RE: Request for Proposals – Brayton Parking Lot (Block 113)

Dear Stakeholders,

Tareen Development Partners (TDP) is honored to submit this proposal for the redevelopment of the Brayton Parking Lot in downtown Madison. We recognize this site as a critical piece of the city's urban fabric, and if selected, we are committed to being thoughtful stewards of its transformation, delivering a project that is authentically connected to its surroundings and responsive to the community's needs.

Our vision is rooted in creating a vibrant, inclusive development that fosters a strong sense of community for residents, visitors, and the broader public. We aim to achieve this through carefully designed streetscapes and interactive public art by local artists. The proposal includes a high-density mix of housing types, supports transit usage, and meaningfully expands the city's tax base, all while introducing much-needed amenities to downtown Madison to expand the public realm.

We have assembled a best-in-class team for this opportunity, bringing together ESG Architecture & Design, Stevens Construction, and Damon Farber Landscape Architects, recent collaborators on the successful Verve Madison project. At TDP, our leadership team brings deep experience across asset classes, from a 25-story residential mixed-use tower on a full city block to medical office. Collectively, our principals have led the development of more than 50 affordable housing projects utilizing Low-Income Housing Tax Credits, demonstrating both our financial sophistication and commitment to housing equity. Our entrepreneurial structure allows us to move quickly, solve complex challenges efficiently, and make decisive, strategic decisions amongst our executive team.

We are confident that the expertise, creativity, and integrity of our development team will make TDP a strong and dependable partner for the redevelopment of the Brayton site. We welcome the opportunity to collaborate with you throughout this process and are happy to provide any additional information or answer questions as needed.

Sincerely,



Cody Dietrich  
Vice President of Development  
Tareen Development Partners



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# EXECUTIVE SUMMARY

TDP's proposal is a transformative vision for the Brayton Parking Lot that thoughtfully integrates affordable housing, for-sale housing, and vibrant public amenities. The proposal consists of three distinct buildings situated above a one-level underground parking structure, creating a cohesive and community-oriented full-block development.

Building 1 will anchor E Washington Avenue, rising 12 stories and featuring 333 affordable rental units. The building design incorporates upper-level step-backs to reduce massing and enhance compatibility with the surrounding context.

Building 2, located along Butler Street between Washington Avenue and Main Street, will mirror Building 1's 12-story scale and architectural approach, offering 241 additional affordable units. Both Buildings 1 and 2 will be financed through 4% Low-Income Housing Tax Credits and tax-exempt bonds in partnership with WHEDA.

Together, these two buildings will deliver 574 income-restricted units, ranging from studios to four-bedroom layouts. Units will serve households earning between 30% and 80% of the Area Median Income (AMI), income-averaged to a blended 60% AMI. This mix ensures broad accessibility while supporting long-term affordability in downtown Madison.

Building 3, located at the corner of Main Street and Hancock Street, will introduce a new for-sale housing opportunity to the area. This 10-story condominium building will offer 30 market-rate units, along with a signature rooftop restaurant on Level 7 that boasts panoramic views of Lake Monona. The addition of for-sale housing addresses a critical gap in Madison's downtown housing market and diversifies housing tenure within the block.

The site design orients the three buildings along the street frontage and introduces an activated central plaza space with different access points to create pedestrian-friendly experiences, and maintain respectful transitions to neighboring structures. Together, this mixed-use development will deliver essential, safe affordable and for-sale housing, expand access to high-quality transit-oriented living, and introduce vibrant public amenities; all while respecting the character and continued growth of downtown Madison.

# EXECUTIVE SUMMARY

Our proposal is grounded in equity, sustainability, and long-term value—delivering a vibrant, mixed-use and mixed-income community that Madison can be proud of. The highlighted strengths of our proposal include:

- 1. Unprecedented Affordability:** 574 affordable rental units serving households from 30% to 80% AMI, representing 95% of the total 604 units provided.
- 2. For-Sale Housing & Economic Diversity:** A market-rate condominium tower with 30 for-sale homes, addressing the city's shortage of ownership opportunities downtown.
- 3. Zero City Subsidy:** No request for TIF or city funds. TDP is offering \$12,680,000 in upfront payment for the land—more than 2.6x the required present value threshold over a 15-year period.
- 4. Transit-Forward Design:** Just 0.26 parking spaces per unit, underground parking, and a walk score of 96—all aligned with FTA and city sustainability goals.
- 5. Landmark Architecture & Public Realm:** Three signature buildings connected by a publicly accessible plaza, local public art, and a rooftop restaurant overlooking Lake Monona.
- 6. Top-Tier Development Team:** ESG Architecture, Stevens Construction, and Damon Farber are design and construction professionals with a deep track record in Madison. Condos marketed by Jannea Wood, Madison's top downtown agent. Restaurant by award-winning local chef Dan Bonanno.
- 7. Experienced Affordable Housing Developer:** TDP's principals have completed over 50 LIHTC projects and bring a deep bench of financial strength, creativity, and responsiveness.

We're not just proposing a development, we're offering a long-term partnership rooted in shared civic values to create an exceptional community within Downtown Madison.



# SCORING SECTION 1 – FTA

Please see responses to each individual item for the FTA Requirement and City Requirements of Section 1 of the scoring.

- A. The development will be in compliance with the Circular FTA C 7050.1C and TDP will partner with the City to receive the necessary approvals from the FTA.
- B. To ensure the City and Madison Metro Transit maintain control of transit benefits, TDP will agree to provide a Deed Restriction satisfactory to the parties. This will be centered on ensuring transit benefits, no additional parking and other necessary items are maintained in perpetuity.
- C. TDP will incorporate Private Investment into the development. TDP will not be seeking any city funds as part of the capital stack. For the affordable housing structure, TDP will utilize 4% low-income housing tax credits and tax-exempt bonds through WHEDA and all up-front costs and guarantees will be funded by TDP with equity in the developments coming from private syndications purchasing the tax credits and tax benefits and debt through a private placement of the tax-exempt bonds. The for-sale condominium product will be financed through a lender and the equity will be provided by TDP and deposits of reservations for the condominiums.
- D. The overall new development will be providing 604 units of housing, while only providing 159 spaces of parking for on-site residents. This increase in housing will be 95% affordable housing, a population that is more likely to rely on transit due to the cost of owning a vehicle and the more budget effective use of transit. The overall development will take an underutilized surface parking lot and turn it into a dense development at approximately 287 units per acre with limited parking and a walk score of 96. The development will capitalize on multi-modal transit not centered on parking and instead rely on walking, biking and the bus rapid transit.
- E. The development will place more emphasis on transit by placing the parking in an underground garage that is not visible as-is in today's surface parking configuration. The current 270 parking space count shall be reduced to 159 spaces, resulting in a decrease of 41% while providing dense housing to utilize other means of transit.

## SCORING SECTION 1 – FTA

F. TDP will complete an Outright Purchase of the entire property after the completion of approvals and a reasonable time to close as negotiated with Madison Metro. The purchase price for the entire property will be \$12,680,000.00.

G. TDP affirms that the rental units on site will comply with the City of Madison's Tenant Selection Plan to ensure that rental applicants are treated fairly when performing background screening, tracking waitlists, accepting rental assistance, and the additional requirements of the Tenant Selection Plan. TDP will also agree to exceed the 40-year LURA requirement on the affordable units up to 80% AMI's in Buildings 1 and 2 to a 50-year LURA.

**Based on this information TDP requests to be deemed as a Pass on the Pass/Fail scale for Section 1.**

## SCORING SECTION 2 – SUSTAINABILITY

A. TDP is committed to providing sustainable development at the Brayton Parking Lot property. TDP can commit to receiving Enterprise Green Communities Certifications on affordable Buildings 1 and 2 and an ENERGY STAR Multifamily New Construction certification on the for-sale Building 3. While we can commit to meeting these certifications, our team will strive to exceed the requirements to receive a higher-level rating or enhance overall sustainability. Some sustainable features will include 100% recycled American steel for the primary structures, green roof systems and enhanced HVAC equipment, best in class building envelope materials in addition to other features.

**Based on this information TDP requests 6 points for this subsection.**

B. The development will provide an HVAC system that utilizes electricity to provide heating and cooling for the building. There will likely be some other gas equipment such as domestic hot water to support the development.

**Based on this information TDP requests 5 points for this subsection.**

**Overall TDP requests 11 points for Section 2.**

## SCORING SECTION 3 – PARKING & TRANSPORTATION

A. TDP will provide 159 stalls in an underground garage for the 604 total units for the overall development. This equates to 0.26 parking stalls per residential unit. In addition, 30% of the stalls will be equipped for EV Charging at Certificate of Occupancy, with conduit throughout the garage and the transformer sized to accommodate 100% of the stalls for EV Charging in the future.

**Based on this information TDP requests 10 points for Section 3.**



## SCORING SECTION 4 – AFFORDABILITY & UNIT MIX

1. TDP will provide a highly dense development to provide both affordable and for-sale housing to serve downtown Madison. 95% of these units will be spread across two buildings with AMI's ranging from 30-80% AMI's using 4% low-income housing tax credits paired with tax-exempt bonds to finance the developments. Please note that WHEDA allows for the income averaging to 60% AMI for each development up to 80% AMI's, whereas the City defines affordable housing to be 60% AMI's and does not contemplate income averaging. Figure 1 displays the breakdown of units by AMI's.

Building	Type	Total Units	30% AMI	50% AMI	60% AMI	80% AMI	Market Rate	Inc. Avg.
Building 1	Affordable	333	10	10	293	20	0	60% AMI
Building 2	Affordable	241	5	5	221	10	0	60% AMI
Building 3	For-Sale	30	0	0	0	0	30	N/A
<b>Totals</b>		<b>604</b>	<b>15</b>	<b>15</b>	<b>514</b>	<b>30</b>	<b>30</b>	
<b>Percentage</b>		<b>100.0%</b>	<b>2.5%</b>	<b>2.5%</b>	<b>85.1%</b>	<b>5.0%</b>	<b>5.0%</b>	

Figure 1.

To be able to provide units at deeper set-asides, the affordable projects would utilize WHEDA's income averaging method in compliance with federal Section 42 code for affordable housing. This equates to 95% of the total units as part of the development being affordable, whereas the City's calculation would only take 60% AMI's or less, equaling 90.1% of the units being affordable. We also heard that the community was not interested in another luxury market rate building, but for-sale condominiums are in high demand. With TDP's proposed development we have provided a dense, diverse and unique mix of housing options that would enhance the living options for the residents of the local community.

**Based on this information TDP requests 19 points for this subsection.**

## SCORING SECTION 4 – AFFORDABILITY & UNIT MIX

2. The proposed development offers units ranging from studios to 4-bedrooms units. This wide mix is shown in Figure 2 and helps support individuals to families that work in and adjacent to downtown to provide them with affordable rental options or home-ownership. The significant increase in density will provide additional vitality for the area and significantly contribute to the local tax base.

Building	Type	Total Units	Studio	1-Bedrooms	2-Bedrooms	3-Bedrooms	4-Bedrooms	Total Beds
Building 1	Affordable	333	24	161	115	22	11	525
Building 2	Affordable	241	0	109	99	22	11	417
Building 3	For-Sale	30	0	0	15	15	0	75
<b>Totals</b>		<b>604</b>	<b>24</b>	<b>270</b>	<b>229</b>	<b>59</b>	<b>22</b>	<b>1017</b>
<b>Percentage</b>		<b>100.0%</b>	<b>4.0%</b>	<b>44.7%</b>	<b>37.9%</b>	<b>9.8%</b>	<b>3.6%</b>	

Figure 2.

**Based on this information TDP requests 5 points for this subsection.**

**Overall TDP requests 24 points for Section 4.**

# SCORING SECTION 5 – DESIGN PRINCIPLES

Please see Exhibit A, which provides detailed answers to the 11 RFP focal points by our design team. Below is more information in response to 5.8 Project Concepts from the RFP.

## **1. Provide a detailed project concept design and general outline specifications.**

### **A. Conceptual Site and Landscape Design Plans sufficient to convey how the project will generally create an engaging pedestrian environment along all street plans.**

A preliminary site plan is provided as Exhibit B along with general floorplans and metrics.

### **B. Preliminary Architectural Direction**

The architectural direction is described in Exhibit A, responding to the 11 RFP focal points under this Section 5.

### **C. Green Building Practices During Construction**

In addition to the sustainable features of the development, the primary structure will be constructed of 100% recycled American steel. Any excess steel would be recycled for future construction use. The team would use low VOC paints and sealants to reduce toxins from this trade. Stevens would also utilize a waste recycling program during construction with the waste management company to reduce excess materials from ending up in a landfill.

### **D. Preliminary Floor Plans of the Building**

The preliminary floorplans are provided in Exhibit B with the enhanced preliminary site plan.

### **E. Provide Count of Units, Bedrooms, SF, etc.**

The preliminary SF breakdown and metrics for units and bedrooms is included in Exhibit C with the financial metrics.

# SCORING SECTION 5 – DESIGN PRINCIPLES

## 2. Provide a Development Phasing Plan

Stevens Construction has a longstanding relationship with Madison Traffic Engineering and Madison Transit staff including Eric and Tim. Our team will work closely with city staff to present our site logistics and phasing plans in a collaborative manner. This process will occur well before any construction begins on-site to ensure our plan allows community businesses and commuters to operate safely and is efficient for construction.

From past experience, in tight urban environments, we assume that we will need a portion of the sidewalks, parking lanes and potentially a portion of a drive lane on a temporary basis. These locations would also rotate at different phases of construction. Any pedestrian access along a portion of the building being constructed would require scaffolding for safety. Our plan would be to disturb as little as possible and always have access routes to all neighboring businesses.

The requirements to provide access for all modes of transportation along an urban development site is not uncommon and we plan for costs to maintain this access in our budgets. There would not be any constraints or risk to financing with applying the necessary conditions to keep the site and surrounding area safe and accessible.

We anticipate the phasing of the overall development to begin with Building 1 (Affordable), then Building 3 (Condos) shortly thereafter, and Building 2 (Affordable) likely would start about halfway through the construction of Building 1. We would plan to submit for low-income housing tax credits and tax-exempt bonds for both phases to run concurrently, but expect that the Building 2 will likely get funded in the following round.

**Based on this information TDP requests 20 points for Section 5.**



# SCORING SECTION 6 – DEVELOPMENT TEAM

TDP is proud to surround itself with great development partners for the opportunity to develop the Brayton Lot and includes a team that has is mostly local and have all previously worked in Madison to complement TDP's strong development capabilities. Tareen Development Partners is the developer and proposer on the RFP. Please see the following responses in accordance with 5.6 Development Venture and Team in the RFP.

## 1. Identification of the development venture and team

The legal entity entering into an agreement would be TDP Acquisitions LLC. Cody Dietrich as Vice President will be the lead of the Developer, including the overall team and is authorized to make decisions. Basir Tareen as Chief Executive Officer will execute all development contract related items. Below is descriptions of the development team and additional resumes are available as Exhibit D – “Firm”.

### **Tareen Development Partners - Developer**

TDP was founded in 2021 by Basir Tareen and Jim LaValle, building on nearly a decade of successful collaboration on real estate developments across the Twin Cities and is a certified Minority Business Enterprise. Their partnership was forged through complementary strengths—Jim's deep expertise in urban multifamily, purpose-built student housing, and retail development, primarily throughout Minneapolis and St. Paul, paired with Basir's strong financial and investment acumen.

From the outset, TDP has operated with an entrepreneurial mindset, embracing agility and a cross-asset-class strategy. The firm has demonstrated a unique ability to pivot quickly in response to opportunities across the real estate landscape.

In the past year, TDP expanded its leadership team by adding three new principals—Cody Dietrich, Pete Nelson, and Andy Haines—ushering in a new phase of growth both regionally and nationally. Collectively, the new partners bring extensive experience in affordable housing, having participated in over 50 Low-Income Housing Tax Credit (LIHTC) transactions. Their background also spans market-rate multifamily, purpose-built student housing, for-sale housing, and mixed-use residential development, further strengthening TDP's versatile and forward-looking platform.

### **Primary Contact:**

*Cody Dietrich – Vice President of Development*

[Cody@tdpmn.com](mailto:Cody@tdpmn.com)

507-440-5702

# SCORING SECTION 6 – DEVELOPMENT TEAM

## **ESG Architecture & Design - Architect**

ESG Architecture & Design is a leading architectural and interior design firm dedicated to creating transformative buildings that enrich communities, elevate brands and inspire connections. Focusing on three primary markets, residential, hospitality and workplace, our designs aim to differentiate our clients in the marketplace and tell vibrant stories of people and place. With a focus on creativity, collaboration, and quality, ESG is championing a future in architecture that does more than offer a physical space, but a sense of belonging. For more information about our expertise, or to inquire about opportunities, visit [esgarch.com](http://esgarch.com).

### **Primary Contact:**

*Christine Pecard – Principal*

[Christine.pecard@esgarch.com](mailto:Christine.pecard@esgarch.com)

612-373-4677

## **Stevens Construction – General Contractor**

Stevens Construction Corp. a Madison based general contractor provides high quality, high-value general contractor services to property owners in the multifamily, student living, hospitality, and other commercial markets. Over the past five years, Stevens has constructed \$1.5B in total multifamily and mixed-use projects over 6,300 multifamily units. The firm employs over 275 people in the office and field, with self-performing capabilities of concrete, prefabricated wall panels, wood structure framework and finish carpentry trades. Stevens is a committed partner with 100% on-time schedule delivery and 81% of their overall projects are with repeat clients.

### **Primary Contact:**

Matt Hartenstein – VP of Construction

[mhartenstein@stevensconstruction.com](mailto:mhartenstein@stevensconstruction.com)

608-222-5100

# SCORING SECTION 6 – DEVELOPMENT TEAM

## **Damon Farber – Landscape Architect**

Damon Farber is a landscape architecture and planning studio with roots in Minnesota and Wisconsin. Our portfolio embodies the breadth of the landscape architecture profession, and we approach design through a process that is deeply collaborative, curious, and caring. Our studio was founded on the idea that the best solutions are created through teamwork. We strive to learn more about the people we work with, the places we work in, and the communities we serve. Landscape architecture can and should make the world a better place, and it is our goal to meet this ideal in our practice.

Damon Farber's multifaceted firm strengths include inspiring design, community leadership and engagement, cultural landscapes, campus planning, extraordinary graphic abilities, disciplined materials research, and fiscal responsibility. For over 44 years, our portfolio has consistently reflected a composed clarity and strong contribution to the built environment. Damon Farber offices within several blocks of the Brayton Lot.

### **Primary Contact:**

*Jesse Symynkywicz – Principal Landscape Architect*  
[jsymynkywicz@damonfarber.com](mailto:jsymynkywicz@damonfarber.com)  
763-257-7928

## **Jannea Wood of Stark Company Realtors – Condominium Sales**

For over 110 years, Stark Company Realtors has been a local company dedicated to the South-Central Wisconsin communities it serves. The company, now in its fourth generation of family ownership, have been integrally involved with the development of Madison since the early years, including the Nakoma neighborhood. Consistently ranked #1 in residential real estate sales based on units sold, Stark remains a mainstay in the community and the local industry.

As a longtime Downtown Madison condo owner, Jannea Wood knows, lives, works, and plays Downtown. She consistently ranks among the leading agents for Downtown Madison condo sales, because Downtown real estate is her specialty. Also recognized for being one of the top agents at Stark Company Realtors, she was awarded Diamond Guild status in 2024, a designation given to the highest-achieving agents and teams in the brokerage.

### **Primary Contact:**

*Jannea Wood*  
[jwood@starkhomes.com](mailto:jwood@starkhomes.com)  
608-235-4044

# SCORING SECTION 6 – DEVELOPMENT TEAM

## **Dan Bonanno – Restaurant Component**

Dan Bonanno is an award-winning chef, restaurateur, and culinary craftsman known for his refined yet approachable take on Mediterranean cuisine. He is the executive chef and co-owner of A Pig in a Fur Coat, one of Madison, Wisconsin's most celebrated dining destinations, as well as the Italian deli and market Alimentari. With deep Italian roots, an uncompromising commitment to quality, and a community-driven ethos, Bonanno has stayed true to himself. Dan remains focused on substance over style. His culinary philosophy emphasizes sustainability, locality, and respect—for ingredients, for craft, and for the people he works with. He maintains strong relationships with Wisconsin farmers, sourcing ingredients seasonally and even collaborating on seed varieties to better serve his evolving menus.

Dan leads a kitchen culture defined by professionalism and mutual respect. He champions inclusive hiring, pays livable wages, provides healthcare, and fosters a team environment where creativity and discipline coexist without ego. These values derive from Dan's exemplary experience as an alumnus of Le Cordon Bleu of Minneapolis and Apicius International School of Hospitality in Florence, Italy. Additionally, Dan gained experience through working under the mentorship of James Beard Award-winning chef Tony Mantuano, working first at Mangia Wine Bar in Kenosha, and later at the acclaimed Spiaggia in Chicago. Through Dan's talented work, he has been recognized as a James Beard Award Semifinalist for Rising Star Chef of the Year (2013) and Best Chef: Midwest (2022), along with being named Chef of the Year (2017) by Madison Magazine.

As part of the development team for the Brayton Lot site, Dan would curate a new restaurant concept in an upper floor space of the for-sale condominium building overlooking Lake Monona. The restaurant would be a unique, unmatched opportunity to create an exceptional amenity for downtown Madison. Through this venture Dan would continue to be a steward of the community as a local small business owner excelling in sustainability, local-sourcing and employment practices.

### ***Primary Contact:***

*Dan Bonanno*

*Contact information available upon request*



# SCORING SECTION 6 – DEVELOPMENT TEAM

## 2. Proposed Organizational Structure

As mentioned above, TDP would be the Developer and overall lead of this proposal to redevelop the Brayton Lot. TDP would be responsible for the engagement of the entire development team and all parties would contract directly with TDP. TDP would direct the design team of ESG Architecture, Damon Farber and other design professionals including civil, structural and MEP through the approval processes for the City and the FTA. Below is a list of overall roles and responsibilities by party.

### **Tareen Development Partners – Developer**

- Handle all development contract negotiations
- Contract, organize and direct development team in community engagement and approval process
- Direct design intent in collaboration with design and construction team members for community engagement, government approvals and full design
- Submit for LIHTC and bond financing through WHEDA
- Secure financing of debt and equity for affordable development buildings and debt for the for-sale building
- Structure a reciprocal easement and operating agreement to define cross easements, utilities, shared maintenance and other terms for the coexistence of the three developments
- Structure Homeowner's Association for the for-sale building
- Construction Oversight of the General Contractor
- Collaborate with Property Management, Marketing and Sales to ensure all local ordinances such as the Tenant Selection Plan are being followed and to strategize the leasing/sales of the developments

### **ESG Architecture & Design – Architect/Interiors**

- Lead design team for further concept design
- Provide further detailed plans for community engagement including neighborhood meetings
- Lead design team through the approval processes
- Prepare bid packages and permit drawings while organizing the plans and specs of the full design team
- Construction Administration of the developments

# SCORING SECTION 6 – DEVELOPMENT TEAM

## **Stevens Construction – General Contractor**

- Collaborate with Developer and Architect on budget management and constructability
- Provide site logistics plan as development plans progress
- Provide budget updates periodically and at time of bid and permit sets
- Manage the Affirmative Action Plan and utilize best hiring practices for sub-contractors
- Manage the construction of the developments to provide as minimal impact the local community
- Partner with the City on phasing to ensure safety of pedestrian, bikers and drivers of motor vehicles
- Execute on completing the construction of the developments

## **Damon Farber – Landscape Architect**

- Provide a focus for the team on the streetscape and Green Streets policy to ensure we are hitting the City's goals
- Engage with the community including neighborhood meetings
- Prepare bid packages and permit drawings to provide to ESG for overall coordination
- Coordinate plans with civil engineer (TBD local firm)
- Construction Administration of the landscape and streetscape scope.

## **Jannea Wood of Stark Company Realtors – Condo Sales**

- Develop go to market strategy for generating interest in the for-sale condominiums
- Advise on current market conditions and expectations, including pricing, floorplan layouts, finish levels, etc.
- Prepare the sales agreements for potential buyers
- Assist in organization of the Homeowner's Association documents

## **Dan Bonanno – Restaurant Component**

- Provide input on needs for the restaurant space including, but not limited to space, location of kitchen, ventilation, trash practices, grease trap management and others
- Partner on community engagement as needed

TDP and the primary contacts of the entire development team, can be made available for key meetings and answering any questions to this RFP and if awarded through the community engagement, approvals process and construction of the developments as it pertains to their specific fields of expertise. We ask that TDP be included in all written correspondence.

# SCORING SECTION 6 – DEVELOPMENT TEAM

Please see the following responses in accordance with 5.7 Experience in the RFP.

## 1. Capability on Large Scale Transactions

TDP and its principles have been a part of large-scale complex transactions. Cody at his past company managed most notably the development of Expo in Minneapolis, this landmark mixed-use development spans nearly 800,000 square feet over an entire city block. The project includes a 25-story tower and 6-story mid-rise with 369 residential units, over 60,000 square feet of amenity space, and ground-floor retail, completed in the heart of the COVID-19 pandemic. Cody managed the project from it's early entitlement phase through lease-up.

TDP completed the redevelopment of the Cross Dock Building in Roseville, MN into a mixed-use campus with a 40,000 SF medical office building and a 127-unit market rate community. The site has use of cross easements for parking and shared maintenance costs.

## 2. Demonstrate Capability of Managing Large Mixed-Use Developments

TDP is a long-term holder of it's assets and oversees management of their properties. In addition to the noted developments above, Basir Tareen is part of the ownership group of Treasure Island Center in downtown St. Paul, MN. This unique redevelopment project saw the transformation of a 1960s era department store, which had been vacant since 2013, into a modern, mixed-use facility. Floor-to-ceiling windows replaced a full-brick front, offering sweeping views of Wabasha Street and parts of the city skyline. The buildings top floor was converted into the MN Wild Practice facility and is home to MN Frost Women's Hockey Team. The building is managed in partnership with the St. Paul Port Authority.

- 583,765 square-feet, including 600 parking stalls
- Located in the epicenter of Saint Paul's capital business district
- One block from Central Station on the light rail Green Line
- Skyway connected on multiple levels
- Home to Minnesota Housing Finance Agency, TRIA Health, The Event Center, Walgreens, Pillbox Restaurant, and the St Paul Port Authority
- MN Wild use top floor as practice facility and the MN Frost play their home games here

# SCORING SECTION 6 – DEVELOPMENT TEAM

## 3. Experience in public/private partnerships

In addition to the major public/private partnership of the Treasure Island Center, the Roseville development partnered with the city to obtain environmental grants and TIF to allow for the development to be financially feasible.

Article No 7 included a partnership with the City of North St Paul and Tareen Development Partners redeveloped a blighted section of 7<sup>th</sup> Avenue containing four vacant buildings with private financing and Tax Increment Financing. The MN department of Economic Development assisted with proving environmental remediation grants to assist with cleaning and disposing of contaminated soils and utility infrastructure that would otherwise have not been feasible. The property is now a four story 84 unit market rate apartment with live / work dwelling units on the first floor of the project.

Cody's experience managing the Expo development, included a public art component to tie into the St. Anthony Main area. Aldo Moroni a local artist commissioned 23 sculptures of local historic buildings along 6<sup>th</sup> Avenue known as the "6<sup>th</sup> Avenue Stroll". Expo was the first phase of 3 full city block planned developments, which the remaining were entitled and paused due to COVID. Cody spearheaded working with Aldo and the Minneapolis Art Commission to commission 13 additional sculptures to create a new leg of the 6<sup>th</sup> Avenue Stroll of public art in the right of way. We were met with many positives through the partnership and the plans were approved. The first four sculptures were installed with Expo and the additional 8 along with a bust of Aldo who passed from cancer shortly thereafter were completed and ready for when the future developments are completed.



# SCORING SECTION 6 – DEVELOPMENT TEAM

## 4. Disclosure of legal matters

For disclosures, TDP and its principals have not been involved in any litigation related to real estate development. For full transparency, Basir Tareen was named in a civil matter in 2019 (not notified until 2021) solely in his capacity as CEO of Tareen Dermatology, a separate medical practice owned by his wife. The case was initiated by two former employees under a qui tam action and involved a limited dispute over billing and documentation procedures. Importantly, the matter did not involve any issues related to patient care. The practice resolved the matter through a no-fault settlement with the government, with no admission of liability, no requirement for corrective action, and no Corporate Integrity Agreement (CIA).

For more information on this disclosure, feel free to reach out to TDP's CFO, Cheryl Davis at [Cheryl@tdpmn.com](mailto:Cheryl@tdpmn.com) or 651-696-0897.

## 5. Disclosure of conflicts of interest

TDP and the development team partners as part of this proposal have no conflict of interest in submitting this RFP.

# SCORING SECTION 6 – DEVELOPMENT TEAM

**Please see the following responses in accordance with 5.9 Financial Capability in the RFP.**

## **1. Provide evidence that the development venture has financial stability and capacity**

Please see the letter from UBS Financial Services in Exhibit E as verification of assets including investable assets in excess of \$30mm held with this financial institution. TDP is well capitalized to pursue and execute on large scale developments such as the Brayton Lot. In addition, TDP has a plethora of bank relationships including reference letters in the exhibit who can verify that we have highly sound financials.

## **2. Provide expected range of project costs and financial structures**

Please see Exhibit C with a source and use outlining project costs, sources of funding, preliminary revenue and expense proformas for the affordable developments, preliminary 18-year cash flow projections for the affordable buildings, expected sales revenue for the for-sale condominiums and restaurant and metrics for units and SF of each development.

The affordable buildings will be financed with non-competitive 4% low-income housing tax credits paired with tax-exempt bonds. The tax credit investor will be allocated the tax credits and tax benefits in the partnership for providing the cash equity in installments. Equity bridge loans will be used as bridge financing, to be paid off as equity installments occur. The senior debt would be a private placement bond transaction, with the bonds purchased by a private fund. The private fund would then provide a construction loan that would transition to a permanent loan after stabilization with an 18-year term to match the compliance period of the low-income housing tax credits.

The for-sale condominium building would be financed with a senior construction loan, sponsor cash equity and equity from the deposits of the future home owners.

# SCORING SECTION 6 – DEVELOPMENT TEAM

## 3. Market Information

The development team has reviewed comparable rental and sale properties in the downtown Madison area. On the rental side, looking at newer market rate product, there is an average \$800+ gap from a 60% AMI 1-bedroom and average \$1,800+ gap from a 2-bedroom 60% AMI unit (see Figure 4). This shows a significant rent cliff and how dire delivering this much needed affordable housing is. On the sales side there has been a lack of high-rise product for about 20 years, with most high-rise sales being on a mid 2000's product (see Figure 5). This shows the need for this type of product in the market.

Market Rate Rental Comparables										
Rental Comp	Property	Year Built	Studio Rent	Studio Rent PSF	1-Bed Rent	1-Bed Rent PSF	2-Bed Rent	2-Bed Rent PSF	3-Bed Rent	3-Bed Rent PSF
1	The Continental	2022	\$ 1,900	\$ 3.51	\$ 2,150	\$ 3.44	\$ 3,350	\$ 3.30	N/A	N/A
2	NoVo	2021	\$ 1,560	\$ 2.99	\$ 2,150	\$ 3.12	\$ 3,075	\$ 3.25	N/A	N/A
3	One09	2025	\$ 1,965	\$ 4.32	\$ 2,450	\$ 4.06	\$ 3,895	\$ 3.61	\$ 6,315	\$ 3.87
4	Bakers Place	2025	\$ 1,759	\$ 4.00	\$ 2,175	\$ 3.52	\$ 3,831	\$ 3.83	\$ 4,393	\$ 3.42
Averages			\$ 1,796	\$ 3.70	\$ 2,231	\$ 3.53	\$ 3,538	\$ 3.50	\$ 5,354	\$ 3.65

  

Legend				
80% AMI	Average Market Rate Rental Comps			
	Proposed 60% AMI Unit			
	Rent Differential			

  

Studio Rent	1-Bed Rent	2-Bed Rent	3-Bed Rent
\$ 1,796	\$ 2,231	\$ 3,538	\$ 5,354
\$ 1,310	\$ 1,397	\$ 1,662	\$ 1,904
\$ 486	\$ 834	\$ 1,876	\$ 3,450

*\*Note: No 4-Bedroom Comparables*

Figure 4.

Condominium Comparables									
Condo Comp #	Location	Year Built	View	Floor #	Parking Stalls	Sale Date	Size	Price PSF	Total Unit Price
1	100 Wisconsin Ave	2004	Capital	8	2	9/11/2024	1,451	\$ 744.31	\$ 1,080,000
2	137 E Wilson St	2005	Lake	8	2	1/31/2025	2,126	\$ 611.48	\$ 1,300,000
3	100 Wisconsin Ave	2004	Capital	10	2	3/5/2024	1,907	\$ 629.26	\$ 1,200,000
4	309 W Washington Ave	2008	Capital	11	2	9/1/2022	2,220	\$ 630.63	\$ 1,400,000
Averages							1,926	\$ 646	\$ 1,245,000

  

Age Premium	15.0%	\$ 97
Lake View	3.0%	\$ 19
Expected Price Per SF		\$ 763

Figure 5.

## 4. Terms and Ownership Structure

TDP would enter into a development contract to purchase the entire property at up-front after receiving entitlements and a reasonable amount of time to close and secure the funding from WHEDA. We are open to negotiating the time frame to work within the City's expectations. For the affordable developments TDP, would own these properties long-term. The condominiums would be sold and organized by a homeowner's association and the restaurant space would be sold to Dan Bonanno to allow for ownership by a small business.

# SCORING SECTION 6 – DEVELOPMENT TEAM

## 5. Workforce Utilization Plan

As an MBE, TDP is committed to working with local and emerging partners. For construction, we will work with Stevens to prioritize the hiring of small businesses, apprenticeship programs, and partner programs with pairing small subcontractors with more established subcontractors. Our project goals would be to hire 15 underemployed or unemployed individuals. On the operations side, we would look for opportunities to partner with local small business owners for vendor contracts.

## 6. Financial Plan and Strategy

Please see the answers to question 2, to address this item for a through c. Below is additional information to answer questions not previously addressed for this item in regard to d through n.

TDP has obtained letters of interest for financing all phases of the development along with bank reference letters in Exhibit E. We also include a verification of assets with UBS as one of Basir Tareen's wealth managers to show the sound financials. The RFP notes that information is not necessarily confidential, so we have not included audited financials. If more information is required on this, please reach out to Cheryl Davis at [Cheryl@tdpmn.com](mailto:Cheryl@tdpmn.com) or 651-696-0897.

The principles at TDP have extensive experience in low-income housing tax credits, having been a part of over 50 transactions in states such as Minnesota, Tennessee, Arizona, Pennsylvania and others. A sample waterfall structure for these transactions would be as follows:

1. Pay any Voluntary Funding made by the Investment Partnership
2. Pay any unpaid tax credit adjustors
3. Pay the Investment Partnership an annual Asset Management Fee
4. Pay the unpaid deferred developer fee
5. Pay any operating loans of the General Partner
6. Pay any remaining portion to the Partners per pro-rata share

From a financing risk standpoint, once the WHEDA funding is secured, there is little risk in the affordable developments as the rent overhang between affordable and market rate rents is so substantial. Financing conditions could change, but TDP is well capitalized and willing to make financial contributions in the affordable developments to see them through. We expect the buyers of the for-sale units to be primarily cash buyers, reducing purchase financing risk. Additionally, the affordable developments will carry a 5% contingency and 4% for the condos. With our exceptional team, risk will be limited.

## SCORING SECTION 6 – DEVELOPMENT TEAM

The for-sale condominium portion of the project will require a Homeowner's Association. This would be established by start of construction and the association would be turned over to a board consisting of homeowners once 60% of the condominiums have been purchased and the buyers have taken ownership. As part of the restaurant being in the building, terms for utilities, trash, maintenance, access, shared costs, etc. would be implemented into the HOA documents or a reciprocal easement and operating agreement (REOA) between the two legal parties. Additionally, there would be an overall REOA for the entire block to cover access and cross easements, utility easements, shared costs and maintenance of the public areas and other details as required.

Regarding sustainability, we have several ways to look at the benefit provided not only to ourselves, but also the residents of the building. For the affordable buildings, for every \$1 of construction eligible costs, we would receive approximately \$0.46 back in tax credit equity, which helps in providing sustainable features. For example, looking to spend approximately \$2,000 to improve our HVAC systems would net us approximately \$920 in tax credit equity, requiring us to come up with about half from other sources of funds. These reductions can then net additional savings on the operating side for the residents. This is hard to quantify as everyone tempers their homes differently. One other major component of our sustainable practice is adding green roof features to the development. These green roofs add approximately \$25-30 per SF, but they help manage stormwater and provide for less heat gain in our roofing systems to be able to reduce our cooling demand. Quantifying how this saves operationally is difficult, but we are committed to providing enhanced sustainable communities across the entire Brayton Lot development.

## SCORING SECTION 7 – HIRING AND WORKPLACE

1. TDP is proud to be certified by the North Central Minority Supplier Development Council as a Minority Business Enterprise (MBE), underscoring our commitment to diversity, inclusion, and equitable participation within the real estate sector. We enact these practices for hiring, while ensuring we hire the best candidates for the job. Our workplace culture matches our hiring sentiment, by providing an open forum workspace that has instilled collaboration and created closer bonds.

2. When TDP hires sub-consultants (architects, design professionals, general contractors, etc.), we look at local firms with familiarity in those local communities, including knowledge of stakeholders, governmental staff, zoning codes, building codes, utility partners, etc. to help us ensure that we have an understanding of the local community and processes. Through this process we look to partner with like-minded firms while also helping out other MBE's. Additionally, we look to partner with local small businesses where able. A prime example in this RFP is with the partnership to create a new restaurant concept with Dan Bonanno a local small business owner and restaurateur. We will also be hiring local artists to create pieces throughout the development.

Stevens Construction has worked with a variety of WHEDA, HUD and TIF requirements. When working on these projects they have provided target participation plans for DBEs as well as workforce development goals. The opportunities to meet project goals were identified early during the preconstruction process and they expanded during the final buyout process of the project. Stevens efforts included the following:

- Contacting registered DBE at both the State and City level.
- Encouraging existing subcontractor partners who qualified as DBEs to register if they were not already registered.
- Working with awarded subcontractors and suppliers to partner with DBEs who were not large enough to participate on the entire project on their own.
- Developing and enhancing HR programs to diversify workforce.



# SCORING SECTION 7 – HIRING AND WORKPLACE

Stevens Construction Successes include:

**Madison Fire Station No. 12.** We received an unsolicited Public Works Contractors Award for Focused Affirmative Action Initiative & Results (FAAIR) for our work on the Madison Fire Station No. 12 project. The project also achieved the USGBC LEED Platinum Certification.

**Highline Senior Living.** For the Highline project, part of the funding was provided by Wisconsin Housing and Economic Development Authority (WHEDA) resulting in design requirements and project goals:

- **Emerging Business.**
  - Project goal: 25% of total project cost to emerging businesses.
  - FINAL: 31.7% of total project cost.
- **Workforce Development.**
  - Project goal: 12 area residents. Project team was responsible for hiring 12 local individuals that were unemployed or under-employed.
  - FINAL: 15 area residents.
- **Wisconsin Green Built Home Checklist.**
  - Project goal of 152 points. New construction initiative that certifies multifamily projects meet sustainable building and energy standards.
  - FINAL: 445 points verified.

**3.** As part of the bidding process Stevens will add language into the bid request forms to solicit bids that include an apprenticeship component. The project will not be seeking competitive low-income housing tax credits or gap funds that would trigger additional requirements. However, our team sees the benefit in training our labor force for the future and providing equitable opportunities. We will prioritize subcontractors who provide these apprenticeship programs and will be a deciding factor when awarding the subcontract for each applicable trade.

**4.** TDP is an MBE certified business that previously had two people, Basir Tareen and Jim LaValle, working on new developments. TDP is now emerging on a regional and national basis with three new development leads including Cody Dietrich, hired to the firm within the last year with regional and national experience, capitalizing on their broad experience and vast knowledge. Additionally, TDP plans to plant its roots in Madison and become a long-term, continued partner for more developments in the area as we continue to emerge.

**Based on this information TDP requests 5 points for Section 7.**

## SCORING SECTION 8 – FUNDS TO CITY

The purchase price we offer for the entire property will be \$12,680,000.00. Assuming this was invested at 7% the net present value over 15 years will be \$23,479,430 in comparison to the net present value requirement of \$9,000,000.00 over 15 years. This equates to over 2.6x the minimum net present value threshold. Additionally, we anticipate the annual property taxes of the development to be approximately \$2,000,000.00 annually once stabilized, providing a healthy increase to the City and other jurisdictions tax base. There will be no requests for any City tax increment financing, abatement or other city subsidies.

**Based on this information TDP requests 10 points for Section 8.**

# SCORING CONCLUSION

TDP is pleased to provide this proposal to redevelop the Brayton Lot into a mixed-income housing and mixed-use development that the City, community and our team can all be proud of as long-term stakeholders. Below is our summary of requested scoring:

- Section 1
  - Pass
- Section 2
  - 11 points
- Section 3
  - 10 points
- Section 4
  - 24 points
- Section 5
  - 20 points
- Section 6
  - 5 points
- Section 7
  - 5 points
- Section 8
  - 10 points

**Total --- 85 points**

TDP's proposal to redevelop the Brayton Lot provides for a transformative development that will provide the City and other local stakeholders with a dense, highly active development. This includes the unprecedented number of affordable housing units serving those who are struggling to find housing that is attainable, a mixed-use for-sale condominium building providing a housing product type severely needed and an unmatched rooftop restaurant by a local award winning chef, a connected community through publicly accessible green roof plaza areas with thoughtful design and a commitment to provide an entire city block that is highly sustainable.

We look forward to our partnership with the City of Madison, FTA, Madison Metro Transit and other local stakeholders.