Proposal Highlights

• Straight-forward mixed use, mixed income development that can be built in a timely fashion
• Experienced local developer, property manager, architects and contractor
• Meets the RFP priority for sustainable design
• Maximizes density constrained by parking, podium design, and Capital view restrictions
Proposal Details

• Building is 9 floors above the podium/parking structure
• Contains 7,000 square feet of first floor commercial
• 159 apartments: 27 studios; 88 one bedrooms; 44 two bedrooms
• Outdoor grilling, seating area
• Community Room, Exercise Room for all residents
The Madison Mark
132 E. Wilson, Madison
112 Units / 12,000 sf Commercial / Retail
Completed in 2005

The Lyric
1010 East Washington Ave, Madison
138 Units / 70,000 sf Commercial/Retail
Completed in 2017
Sustainability & Green Building Certifications

- Project will be Wisconsin Green Built Certified
- Developer will work with Focus on Energy
- Building will contain solar roof panels and potentially, solar panels for hot water
- Project will include:
  - High efficiency HVAC system
  - LED lighting with motion sensors
  - Water efficient plumbing fixtures
  - Energy Star appliances
  - Building envelope that is 3% higher performing than code
  - Reduced glazing from prior concept
  - Metal stud partitions with high recycled content
  - Green roof where appropriate
RFP Response
Revisions

• Elimination of townhouse units, total still 159
• Improved Resident Community Space
• Reduced construction costs and increased rents resulting in a change to the 37 affordable units:
  • 20 at 60% vs. 10
  • 17 at 80% vs. 27
• Further exploration of new soft financing
• Reduced AHF funding to $30,000/60% unit
### Proposed Unit Mix

**20 Affordable Units at 60%**  
**17 at 80%**

**Sources:**
- Developer Equity and Deferred Fee: $3,500,000
- Investor Equity: $4,887,000
- Badger Fund Equity: $0
- AHF Loan: $300,000
- AHF Grant: $300,000
- First Mortgage: $30,500,000
- **Total Sources:** $39,487,000

**Uses:**
- Air Rights and Podium Purchase: $5,000,000
- Park Fees: $542,100
- Construction Costs: $27,500,000
- All other Project Costs: $6,444,900
- **Total Uses:** $39,487,000

**Expected Stabilized Annual Real Estate Taxes:** $480,300
Justification of City Payment

Air Rights:
• 60% units @ $5,000/unit for 10 units - $50,000
• 80% units @$12,500/unit for 27 units - $337,500
• Market units @ $17,500/unit for 122 units - $2,135,000

Podium:
• 148 open air stalls at $15,000 per stall - $2,220,000

Retail:
• $280,000 (raw, unfinished space without mechanicals, demising walls, etc.)

• Preliminary Total - $5,022,500
Increasing Number of Affordable Units

- New source of soft financing
- Lease podium and/or air rights
New Source of Soft Financing

• The developer has participated in a group called the Economic Stability Council for the past two years.

• This group of investors and other stakeholders is interested in finding unique ways to combat the lack of affordable housing.

• The proposed structure is to create a pool of funds from Madison-based corporations, tentatively called the Badger Housing Fund, to make equity investments (and/or loans), at below market rate of returns, in projects that support affordable housing and do not use 9% affordable housing tax credits. The group is very interested in finding a pilot project and Judge Doyle Square would offer a perfect opportunity.

• Timeframe for commitment is 3 – 6 months from selection.
## Sources and Uses Options

<table>
<thead>
<tr>
<th></th>
<th>20 Affordable Units at 60% 17 at 80%</th>
<th>64 Affordable units at 60%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sources:</strong></td>
<td></td>
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<td>AHF Loan</td>
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<td>$447,900</td>
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</table>
We acknowledged in our RFP response that the proposed project will require a major alteration to the existing SIP. Our expected timeline is:

<table>
<thead>
<tr>
<th>Event</th>
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<tbody>
<tr>
<td>Execution of Development Agreement</td>
<td>August 2019</td>
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<tr>
<td>Pre-application meetings with Staff and Committees</td>
<td>August 2019</td>
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<tr>
<td>Submit Major Alteration</td>
<td>September 2019</td>
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<tr>
<td>Landmarks and UDC Meetings</td>
<td>October 2019</td>
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<tr>
<td>Plan Commission</td>
<td>November 2019</td>
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<td>Common Council</td>
<td>November 2019</td>
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<tr>
<td>Complete Construction Documents</td>
<td>January 2020</td>
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<tr>
<td>Finalize Construction Bidding &amp; Contract</td>
<td>March 2020</td>
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<tr>
<td>Close Construction Financing</td>
<td>April 2020</td>
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<tr>
<td>Construction Start</td>
<td>May 2020</td>
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<tr>
<td>Construction Complete</td>
<td>May 2021</td>
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