

SUPPLEMENTAL STATEMENT IN SUPPORT OF MODIFICATION
OF CONDITIONAL USE PERMIT

The Conditional Use Permit (CUP) should be modified to allow us to house broader range of tenants, better meeting current and projected demand. The current CUP limits tenants to age 55 years of age and older. The restrictions have resulted in a significant level of continuing vacancies. This is consistent with vacancies in other 55+ buildings.

We request that the CUP be modified to permit us to lease as many as 20 of the building's 40 units to all-age residents. This flexibility will improve the building's marketability and contribute to a better living environment for all of our tenants.

The current CUP restrictions of 55+ residents were imposed as the result of grant funding which provided a fifty percent (50%) property tax abatement for the first twenty (20) years of the building's existence. That 20-year period expired in 2008.

Both before the restrictions expired and particularly more recently, we have found the building has had persistent vacancies that have been difficult to address. We have noted that other buildings that serve the 55 plus market on the North side of Madison also experience similar problems. We believe part of this is the result of the difficulty of selling houses in the current recessionary market. People who are 55 and older may be unable to sell their houses and move into senior housing.

In any event, the property has been running a vacancy rate that is of concern. In the long run, no building can afford to operate with 20 percent (20%) vacancies. The vacancies deprive the building of the revenue needed to make necessary upgrade, improvements, and maintenance.

Further, we think that there is value in diversifying the tenant mix of this building. Segregation of housing groups has downsides. Elderly residents could benefit from having younger neighbors who have provide activity, interest and companionship.

To summarize, the facility has long since repaid the financial obligations which justified the imposition of the covenants in 1988. In the market of 2012, the building needs to advertise to a broader range of ages. We believe that doing so is in the best interests of the tenants by providing them with an economically viable building, as well as a broader range of adult ages with whom to interact. We appreciate your attention to our request.