



November 17, 2021

To: Housing Opportunities Commission  
From: Taylor Graybehl, Associate Planner  
Subject: Affordable Housing RFP Submittal Responses

The City of Eau Claire allocated funds to investments in affordable housing in its 2020 Capital Improvement Plan and tasked the Housing Opportunities Commission (HOC) to draft recommended policy for the allocation of those funds. This memo details the creation of the program, drafting of criteria, the request for proposals (RFP) process, proposals received, and the winning proposal.

#### Creation of the Program

Beginning in October 2020, the HOC discussed various programmatic and policy options related to the City Council's 2020 Capital Improvement Plan budget item "Investments in Affordable Housing" (Project No. 434-023), with the goal to "create and expand opportunities to assist with affordable housing."

On February 23, 2021, the City Council voted to adopt the HOC's annual work plan as well as held a work session on the proposed Affordable Housing Fund (AHF) policy recommendation. The 2021 Work Plan identified a major outcome of the Commission as increasing public confidence in the allocation of AHF through the creation of a transparent process for the application and allocation of affordable housing funding. At the work session that same night there was general consensus from the City Council that the HOC's recommended policy and general framework were aimed in the right direction.

#### Drafting of Criteria

From October 2020 to October 2021 the HOC has held public meetings where they first discussed the purpose of the program and the outcomes they would like to see. At the April 2021 meeting a work group was convened who would meet to discuss what criteria should guide the allocation of funds for the AHF.

The work group met and recommended at the HOC meeting on May 12<sup>th</sup> the adoption of scoring categories similar to those found in the Wisconsin Housing and Economic Development Authority (WHEDA) 2021 Housing Tax Credit (LIHTC) program. At this meeting the HOC provided comment on the work group's recommendations and asked them to work together before the next meeting and bring back revisions to the scoring criteria.

Between May and September, the work group would typically meet one time between the general HOC meetings to adjust the scoring criteria based on comment from the HOC as a whole. At HOC's September 8<sup>th</sup> meeting, the HOC approved scoring criteria to be recommend before council.

At their September 28, 2021 meeting City Council approved the AHF Scoring Criteria recommended by the HOC and asked staff to issue a request for proposals (RFPs) to receive proposed affordable housing projects for review and award of funds.

### RFP Process

On October 28<sup>th</sup> the city posted a news release with the RFP for developers and then reached out to local developers, developers across the state and in neighboring states through various mailing lists.

The RFP detailed that the City seeks to allocate approximately \$300,000 of funds to new construction or rehabilitation of properties for new or expanded affordable housing within the City. The applications received were ranked by the approved AHF scoring criteria.

### Applications Received

The RFP closed on Monday, November 15<sup>th</sup>, 2021 at 9:00AM. Between the opening and closing dates staff received questions regarding the RFP from developers within the City, State, and neighboring States. By the closing of the RFP the City received three applications for funds. The three projects are: Grace Barstow Apartments; Main Street Lofts; and Prairie Heights Residences. A summary of each project is provided here, along with attachments of key portions of each proposal.

#### *Grace Barstow Apartments*

Grace Lutheran Communities submitted a request for funding to replace aging windows at 1105 S. Barstow Street. The applicant seeks funding to offset the cost of replacement of windows at the apartment complex to allow for continued operations offering housing for low-income seniors and disabled within in the City of Eau Claire. Per the applicant, within the last 5 years this building has been home to 32 individuals previously experiencing homelessness. If the applicant were to receive the funding they would be able to replace all of the building's windows this year thus decreasing energy needs and allowing for more comfortable housing.

It is the point of view of staff that the project as proposed would assist those who live at Grace Barstow Apartments by providing a more comfortable life, decrease operational costs, and have a positive impact on the environment decreasing greenhouse gas emissions. As previously noted by the HOC, there are more costs to housing than just rent, such as utilities that in the end are priced either through rent or separate utility bills. Although this project has many benefits it does not add additional affordable units which is a focus of the current funding.

The applicant provided a scoring sheet which claimed a total of 177 points. After review, the applicant's score sheet was modified to remove the claimed 80 points from Section 1 and 36 points from Section 3 due to no additional affordable units being provided. With reduction of 116 points the applicant received a total of 61 points.

The HOC may consider methods to increase the livability of structures which provide affordable housing or which offsets the costs to maintain affordable housing. There are existing programs that can serve as example which provide funds for the improvement of existing affordable housing sites if the property owner agrees to enter a deed restriction which ensures affordability of the units for an agreed upon time.

### *Main Street Lofts*

Developer Northernstar Companies, LLC submitted a request for funding for a 65-unit apartment at 500 Main Street, of which 27 units are affordable for households at or below 50% CMI. The applicant seeks to rehab the existing Eau Claire Area School District building to include a complete remodel of the interior, new building & roofing systems, and a rooftop gathering area. The proposal details the placement of dwelling units from studios to three bedrooms, a leasing office, exercise room, community room, and community service facility. The applicant intends to offer services to the residents by partnering with local providers which may include job/skills training. The applicant seeks \$300,000 in funding for 27 units at \$11,111.11 per unit.

The applicant proposes to place 65 units, all of which are priced at or below 80% AMI with a bedroom count of an efficiency (or studio) to 3 bedrooms. The application notes alterations to the building exterior including accent masonry likely focused on higher visibility areas, a featured corner with common space on the ground floor, and expansion of windows to provide natural light. While the site will have routine property maintenance for snow removal landscaping, and repair, off-street parking, landscaping and lighting for safety, and electronic key entry. Lastly, the interior will offer a leasing office, exercise room, and a common room which can be reserved by residents.

The applicant intends to work with service providers to provide programming which many include a job/skill learning center. They seek to partner with local providers to provide services like financial literacy courses, health education, and job readiness classes around healthy food preparation. While the applicant also notes they intend to partner with local Continuum of Care to provide supportive services to individuals with disabilities, and low-income families who would live on site to help residents gain stability and would utilize the City's Continuum of Care's prioritization list for referrals.

The applicant provided a scoring sheet which claimed a total of 228.21 points. Upon further review, the applicant's score sheet was modified to *add* an additional 10.32 points in Section 1.a. to include 8 units below 30% CMI for a total of 67.21 points for Section 1 instead of the 9.22 points claimed. The score sheet was also updated to note the project site is within 0.5 miles of a library, though this did not impact the point total due to fact they already scored at the maximum 47 points. Lastly, the applicant received an additional 3 points for the successful competition of two or more HTC projects bringing Section 7 from 8 points to 11 points. In total, the applicant received an additional 13.32 points for a new total of 228.21.

### *Prairie Heights Residences*

The applicant Prairie Heights Residences LLC submitted a request for funding for a 60-unit apartment at the southeast corner of Birch Street and River Prairie Drive, of which 26 units are affordable for households at or below 50% CMI. The applicant seeks to develop a four-story apartment building with a community services facility. The applicant intends to offer 12 supportive housing units in concert with local providers. The applicant seeks \$300,000 in funds for 36 units at \$8,333.33 per unit.

The applicant proposes to place 60-units with a bedroom count of 1 bedroom to 3 bedrooms. The unit mix is proposed as 26 – 1 bedroom, 22 – 2 bedroom, and 12- 3 bedroom. Of these units 24 will be set aside for households with incomes between 30% to 50% CMI and 12 for households with incomes below 30% CMI.

The applicant provided a scoring sheet which claimed a total of 252.2 points. After review, the applicant's score sheet was modified to remove 2 points claimed in Section 7. The applicant indicated they met criteria under "Development Team Members" of "application which includes an organization acting as lead developer and an owner, that has participated in fewer than 4 HTC properties as a lead developer or owner." With the reduction of 2 points the applicant received a new total of 250.2 points.

### Winning Project

The City of Eau Claire received three applications for funds provided by the Affordable Housing Fund. These three applications proposed projects which offer different benefits to the City and were ranked based on criteria provided in the request for proposal. These criteria were adopted by City Council after recommendation by the Housing Opportunities Commission. The project with the highest point total will receive up to \$300,000 in funds.

The City received three applications for the AHF: Grace Barstow Apartments, Main Street Lofts, and Prairie Heights. Though the Grace Barstow Apartments project could provide benefit to the City it did not propose the addition of new units affordable housing units. The other two projects were relatively close in point total:

1. Prairie Heights – 250.2 points
2. Main Street Lofts – 228.21 points
3. Grace Barstow Apartments – 61 points

The winning project is Prairie Heights Residences located at the southeast corner of Birch Street and River Prairie Drive. The project will provide 60 affordable units of which 12 will be affordable for households at or below 30% CMI.

City Council will be presented these applications with the above findings at their meetings next week. If the allocation of funds is approved, staff will work with the project applicant to craft an agreement to ensure the provision of the affordable units agreed upon.

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Taylor Graybehl, AICP  
Associate Planner





CITY OF  
**EAU  
CLAIRE**

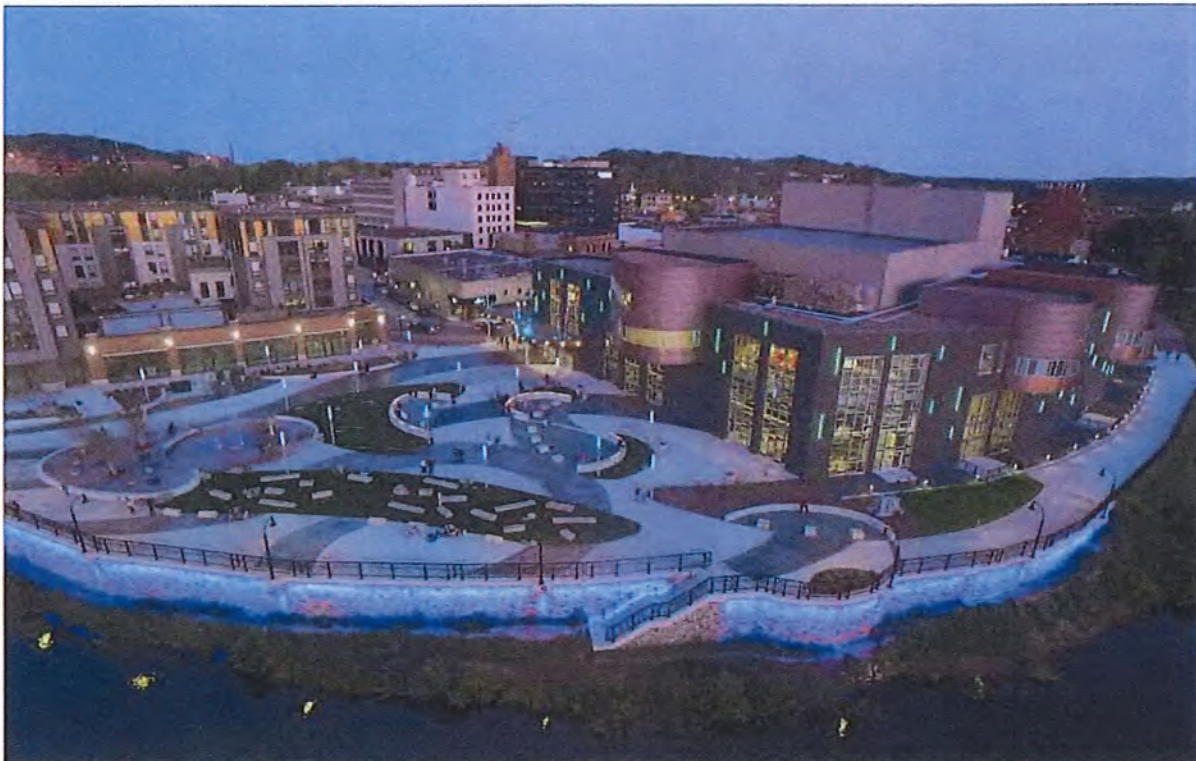
**COMMUNITY DEVELOPMENT**

Economic Development: (715) 839-4914

Inspections: (715) 839-4947

Planning: (715) 839-4914

Fax: (715) 839-4939



## **CITY OF EAU CLAIRE, WISCONSIN REQUEST FOR PROPOSALS**

### ***2021 Affordable Housing Fund Project***

The City of Eau Claire is seeking proposals for projects that develop or rehabilitate properties for new or expanded affordable housing within the City of Eau Claire and to provide said project(s) with financial assistance through the City of Eau Claire Affordable Housing Fund.

**All proposals must be submitted by  
9:00 a.m., Monday, November 15, 2021**

203 S. Farwell St., P.O. Box 5148, Eau Claire, WI 54702-5148  
[www.eauclairewi.gov](http://www.eauclairewi.gov)



## Introduction

The City of Eau Claire ("City") invites proposals for the development of residential projects that will move the City forward in achieving a substantial increase in affordable housing units. The Eau Claire Affordable Housing Fund (AHF) was established in 2020 by the City to provide a flexible funding mechanism for affordable housing-related projects. The primary purpose of the AHF is to provide financial resources to address the affordable housing needs of individuals and families who live or work in the City by promoting, preserving and producing quality, long-term affordable housing options

## Location

The AHF can be used towards capital projects wholly and exclusively within the city limits of the City of Eau Claire.



## Proposal Parameters

The City seeks to competitively award funds for new construction of affordable housing by soliciting eligible proposals from qualified developers. The City's Housing Opportunities Commission has developed an AHF Scoring Criteria matrix for the year 2021 for the City Council to evaluate proposals and award AHF dollars. Proposals will be scored using the AHF Scoring Criteria (see Exhibit A) and recommendations forwarded to the City Council for their consideration. The AHF fund balance for 2021 stands at approximately \$300,000.



## Evaluation of Proposals

Proposals are expected to respond to each item within the AHF Scoring Criteria categories:

1. ***Income Requirement***
2. ***Location***
3. ***Financial Leverage***
4. ***Inclusive Design***
5. ***Rehab/Neighborhood Stabilization***
6. ***Energy Efficiency and Sustainability***
7. ***Development Team***

Proposals should be formatted to clearly and easily allow City scoring of the project and should provide supporting documentation for each category. It is expected the proposal will provide a completed self-scored worksheet using Exhibit A or similar format. (Fillable PDF of Exhibit A will be made available upon request.) Proposals that do not respond to each category will be deemed non-responsive and will be disqualified.

## Qualifications and Experience of Developer

1. Detail and describe the proposed development team and demonstrate a track record of successfully financing, developing, completing and managing comparable projects, locally and/or nationally, including:
  - Clearly identify roles and responsibilities of all proposed development team members.
  - Cite developer's experience successfully developing other projects of similar scale and complexity, locally and nationally, including the roles and responsibilities of developer's team members, and provide contact information for references for these projects.
  - Cite developer's experience in successfully constructing, managing and maintaining affordable housing facilities.
2. Provide clear and compelling information to demonstrate developer's financial capacity to execute and complete the proposed development successfully.
  - Describe a clear strategy to fund all proposed development costs.
  - Provide documentation from potential lenders of interest in the proposed development.
  - Cite other projects in which the developer has successfully worked with the proposed equity/financing/granting entities.
  - Provide evidence of financing for prior developments.
3. The selected proposal(s) shall be initiated and completed within a reasonable time period acceptable to the City. It is the City's desire that the proposal(s) be completed in the shortest timeframe possible. A reasonable time period will be defined in a final Development Agreement approved by the City Council.

## Submission of Proposals

Proposals should be submitted as a PDF via email with the subject line "Affordable Housing Fund Proposal" no later than 9:00 a.m. Monday, November 15, 2021 to: [Planning@eauclairewi.gov](mailto:Planning@eauclairewi.gov)

## Review Process

The City is not responsible for any costs associated with preparation and submission of proposals to this RFP. The City will consider several factors when making an award. The proposals will be evaluated using the AHF Scoring Criteria, with final decision to be made by the City Council. City staff will review and score all qualifying proposals. **Staff will make a presentation on the recommended proposal(s) to the HOC at a meeting date and time TBD, with a final recommendation to City Council expected on either Tuesday, November 23, 2021, at 4:00 p.m. or Tuesday, December 14, 2021, at 4:00 p.m.**

## Contact Information

Questions regarding this RFP may be directed to:

**Scott Allen, Community Development Director; or  
Taylor Graybehl, Associate Planner**  
City of Eau Claire  
203 S. Farwell Street  
Eau Claire, WI 54702-5148  
Phone: (715) 839-4914  
Email: [Planning@eauclairewi.gov](mailto:Planning@eauclairewi.gov)

## Additional Information

The City of Eau Claire reserves the right to reject any and all proposals for any reason at its sole discretion, to negotiate the terms and conditions of the eventual contract with the developer awarded the funds, and to impose additional use restrictions, if necessary. City and County records may be checked prior to final approval for delinquencies related to real estate taxes, special assessments, utility bills, or any other payments due to the City; and for violations of building codes or crimes affecting property or neighborhood stability.

The contents of this packet are for information purposes only and the representations made herein are without warranty. Development teams should rely exclusively on their own investigations and analyses.

*Thank you for your interest in the City of Eau Claire!*





## City of Eau Claire affordable housing fund

### Index.

Re: Prairie Heights residences LLC.

#### Section 1

Completed application the application includes supporting evidence in each of the categories directly behind the corresponding section.

Category one, serving lowest income resident, mixed income incentive, serves large families, supportive housing. This also includes appendix S which includes a supportive services plan a memorandum of understanding between the providers, a second memorandum of understanding between the owner and the local provider experience and referral sources a service plan and explanation of services, and affirmative fair housing marketing plan the service providers reveal and experience in the membership handbook,(this is a very large section of material) The supporting evidence for each of these categories is directly behind the section of the application..

#### Section 2.

Location, please referred to in architectural certification that includes verification of amenities in the development

the development is including the original market study and a supplement that includes the close proximity to services and amenities, this also includes verification of a public transit route, and the distance to amenities,

#### Section 2-part two community services facility.

Verification of community services facility that includes the cost break out of the facility the memorandum between the parties and agreement.

#### Section 3

financial leveraging self-explanatory, development is applying for the minimum amount of request per unit, developer would like to reserve the right to reapply for the balance of the subsidy.

#### Section 4 inclusive design

development includes architectural letter certifying the information.

Section 5 development is requesting zero points.

Section 6, energy and efficiency development is submitting the energy and efficiency sustainability development project qualified to receive 644 points with the Wisconsin Green built Home Association that also includes the solar array.

Section 7 development team.

West cap the managing member of Prairie Heights LLC is a recognized nonprofit in the state of Wisconsin please see submitted articles.

Section 8

Developers self-score.

Additional documents.

Please refer to the application page 3.

The requested information required a large collection of material in order to provide proper documentation.

Qualifications and experience of the developer.

This section includes the developers experience the consulting developers experience that includes a reference list, the general contractor's experience and the management entity experience. This section includes previous participation that dates back three centuries.

Paragraph two, development team roles this is a list of all individuals that will be involved in the development of this project.

Second part of this paragraph is asking again for experience please refer to the above referenced in section developers experience the consulting developer in the previous list of participation.

Question number two financial resources we have provided in this section the list of obtained financial funding sources; we have also provided in this section.

- the reservation of tax credits from the Wisconsin housing and economic development Authority.

-the award letter and grant of 900,000 from Chicago Home loan Bank.

-The construction and permanent financing source from a local lender. The lending into this development project secures community reinvestment act credits for this institution

- The letter of intent from the investing partner member again this is from a local lender purchasing the tax credits, the investment into this project secures community reinvestment act credits for this lender.

Methods of financing. For the purposes of keeping the documentation shorter we have provided the methods that would be most current and most appropriate to this development project.

Certification of point scoring sections we are submitting this section as many of these sections that the affordable housing fund created were consistent with the state of Wisconsin the Wisconsin housing and economic development Authority. This is just merely a recap.

We would like to thank the city of Eau Claire for Prairie Heights residences LLC to participate in submitting an application for these necessary funds.

Thank you



## Explanation of support services .

The support services plan will be implemented for the identified and targeted 30% family care apartments located within the.

The apartment units will be qualified by individuals that are currently on an active waiting list by the experience provider. The agency Enclusa . This agency will also provide the necessary funding for services that each individual will need, the individuals needs will be on a case-by-case need. Those services can range from a very broad list,

The service plan that is also included will help connect the agency community care connections of Wisconsin to the management agent, ultimately the individual recipient of services that qualify under this program and specific targeted income. (Whoever that individual may be).

The developer and management experience in this area has provided the following in-service experience.

Typically, the provider (Enclusa) works with the manager and developer and provides through the process of interviews and others individuals that can live independently in these apartments.

Secondly the provider provides the necessary funding for the services, all costs for these services are paid directly through the agency and will not be any part of manager or developers responsibility. Each of these individuals that are receiving services, are re- interviewed on quarterly basis in the designated area of the community room. It is important to note that the community room is designed to be 100% handicapped accessible, as most of these individuals are bound to a wheelchair.

The management company works with the provider connecting the provider and the individual to the services within the area.

To conclude the manager has been allocated an annual operating costs or this as well. All of this information is contained in this submission.

Please also understand that the developer and manager are currently working with the provider agency on 6 other housing developments within the state of Wisconsin.



# Cornerstone Architects, LLC

"Designing the Future"

6154 Sweden Boulevard, Punta Gorda, FL 33982  
Phone 608/374-3500 Email: bradkortbein@gmail.com

November 8, 2021

Scott Allen, Community Development Director  
City of Eau Claire  
203 S. Farwell Street  
Eau Claire, WI 54701

RE: Prairie Heights Residences, 3155 Birch Street, Eau Claire, WI 54701  
City of Eau Claire Affordable Housing Fund Application

Dear Scott:

The Prairie Heights Residences project will provide 60 units of family housing in Eau Claire, Wisconsin. Cornerstone Architects, LLC understands the need to develop a design that offers amenities that meet the accessibility needs of the residents, therefore promoting the long-term viability of the project. The complex will consist of a 60 unit, four-story building with a 54 stall secured underground parking garage. The apartment mix is 26 – 1 bedroom, 22 – 2 bedroom and 12 – 3 bedroom apartment units. There are a total of 12 - 3 bedroom units in the plan, the plan allows for 10 of these apartment units to have ground-floor individual. There will be one Type "A" handicap accessible 1 bedroom unit and one Type "A" handicap accessible 2 bedroom unit, all the other units within the building will be Type "B" handicap accessible. The buildings and site facilities within the project are being designed based on ICC/ANSI A117.1-2017.

This project is being designed to exceed the Eau Claire Affordable Housing Inclusive Design standard. Accessible design and construction features, in addition to those that are required by code, will be provided in **all** of the housing units and throughout all of the common areas. The goal of this project is to provide "visitability." Housing that is "visitable" has a very basic level of accessibility that enables persons with disabilities to visit friends, relatives, and neighbors in their homes within a community. Visitability will be achieved in each and every unit, with the use of two simple design standards: (1) providing a minimum 32-inch clear opening (36" doors) in all interior and bathroom doorways; and (2) providing at least one accessible means of egress/ingress for each unit. By implementing these visitability standards, each apartment home can vastly increase the ability of a mobility-impaired person to visit others with independence. All 12 of the 3 bedroom family apartments are located at grade level and will include a direct exterior entrance and patio/deck. The development also includes a Community Room with an outside community patio area and children's playground all accessed from the concrete sidewalks throughout the property. All residents will have access to the free wireless WiFi system that can be accessed anywhere within the facility. This facility is multi-story and includes an elevator for access to every level.

The following **Unit Features** will be incorporated into the design of project:

All Units

1. The primary entrance to the building is located along a handicap route from the handicap parking stall and is fully handicap accessible and will include a key operated automatic door opener to provide security and accessibility. (EC Additional Feature 9 & 12)



2. The apartment entry door is accessed from the central Corridor and will include self-closing spring hinges and low profile handicap or no threshold with lever handle passage lockset and number pad deadbolt with a lever on the interior that does not require grasping or twisting. Maneuvering clearances are allowed at the door based on the approach to the door per ANSI A117.1 Section 404. (EC Basic Feature 1)
3. All apartments are designed with all spaces within the unit on one single accessible level. (EC Basic Feature 2)
4. All interior passage doors shall include maneuvering clearances, 32" clear width (36" doors) and lever handle hardware and will comply with ANSI A117.1, Section 1003.5. (EC Basic Feature 3)
5. A minimum of 50% of the bathrooms will include a 30" x 60" shower with a maximum of a 2" curb or be a 30" x 60" roll-in showers with no curb. All of these showers will be provided with hand held shower heads with a 60" hose mounted on a slide bar. (EC Basic Feature 4a)
6. At least one bathroom in every apartment shall include 30" x 48" clear floor space at the sink, toilet and shower. (EC Basic Feature 4b)
7. Blocking for future grab bars installed in accordance with ANSI A117.1 is included at all plumbing fixtures on the project. (EC Basic Feature 4c)
8. Lever handle door hardware is installed on all doors throughout the project. (EC Additional Feature 1)
9. The light switches throughout the entire project are the rocker or paddle type switches in lieu of the toggle type switch. (EC Additional Feature 2)
10. Single lever handle faucets are used at all bathrooms and kitchens throughout the entire project. (EC Additional Feature 3)
11. All tubs and showers throughout the entire project include permanent non-skid surface molded into the floors. (EC Additional Feature 4)
12. Closet doors shall have a 30" x 48" clear floor space that allows for a forward or side approach and shall have at least a 32" clear opening when space is greater than 18" deep. (EC Additional Feature 5)
13. Windows for this project are vinyl single hung units with a 30" x 48" clear floor space centered on the window, sills at approximately 32" above the floor and a locking mechanism that is less than 60" above the floor. (EC Additional Feature 6)
14. The bottom edge of mirror within all bathrooms will be 40" maximum above the floor. (EC Additional Feature 7)
15. Flooring throughout all of the apartments shall be a smooth high density laminate. Common Corridors shall be a low profile level loop carpet tile. Transitions between the two types of flooring shall be a low profile vinyl transition. (EC Additional Feature 8)
16. All electrical devices including switches, outlets cable/data outlets and hvac controls are located between 18" and 48" above the floor to comply with the reach ranges defined in ANSI A117.1. (EC Additional Feature 10)
17. All apartments include in unit clothes washer and dryer that meet the reach ranges for use and control defined by ANSI A117.1 (EC Additional Feature 11)
18. The building is multi-story and includes an elevator for handicap accessible access to the parking garage and all levels of residential living units. (EC Additional Feature 12)
19. Signage with braille characters will be located at all enclosed common rooms and each apartment entry door. Signage shall be mounted such that the braille characters are at 48" above the floor.
20. A handicap accessible public toilet room shall be provided adjacent to the public Community Room and Office.
21. The bathroom exhaust fans will be vented directly to the exterior and controlled on a



- humidistat or timer.
22. Architect will certify that the Owner will provide "in unit" internet at no cost to the tenants.
  23. Architect will certify that the building and all apartment units are Non-Smoking, which is included as a condition within the lease.

7 – 1 bdrm (1 - Type A), 6 – 2bdrm (1 - Type "A") and 1 – 3 bedroom unit (20% of the units)

1. The Kitchens will include circular or T-shaped turning space between the face of the countertops and will comply with the ANSI A117.1, Section 304.
2. Bathrooms will include a 30" x 48" clear floor area outside the swing of the door. These units include a Roll-In shower compartment with a maximum lip of ¼", Vanities with sinks will be 34" high with no cabinet underneath. Plumbing piping will have contact protection wrap. (EC Additional Feature 14)
3. Cabinets and appliances within the Kitchens of these units will include range hoods with controls and electrical receptacles that are located within the reach range defined in Section 309. The sink and a 30" wide work space with clear floor space for a front approach will be provided within these Kitchens at 34" above the floor per Section 1003.12.3. (EC Additional Features 15 & 16)

Type A (One 1 bedroom & One 2 bedroom) unit (2% of the units)

1. The Type A accessible unit shall include all of the accessibility enhancements described above plus include grab bars installed at the toilet and within the accessible shower unit per ANSI A117.1, Section 608.2.2.
2. Shower within this unit shall be a roll-in type with a maximum lip of ¼".

If you have any questions on these features please contact me.

Sincerely,

*Brad Kortbein*

Bradley S. Kortbein  
Architect

# EXECUTIVE SUMMARY

## CONCLUSIONS

We find that the data and our analyses demonstrate adequate support for the proposed project in terms of local rental housing and demographic conditions. We specifically estimate that the subject, as proposed, will be absorbed within approximately ten months at its proposed rent levels and that it will be sustained at reasonably high occupancy levels during the foreseeable future. This conclusion is based on our quantitative and qualitative analysis of comparable properties, our analysis of market rents, current occupancy levels, and demographic data within the primary market area. We also conclude the subject will not significantly affect tenancy of the existing subsidized and affordable family properties in the primary market area or surrounding market areas.

Project Summary			
Number of Units		Performance Statistics	
Total:	60	Capture Rate	1.0%
Income-Restricted (at or below 60% AMI):	51	Penetration Rate	6.3%
Market Rate:	9	Stabilized Occupancy	95.0%
Supportive Housing Units:	12	Absorption - Units Per Month	6
		Months to Reach Full Occupancy	10

**Project Strengths and Weaknesses:**

- Primary market area inventory of family tax credit properties is generally old, possibly indicating a need for new affordable housing
- High occupancy levels among primary market area family tax credit and market rate rental properties
- Strong primary market area demand, 6.3% penetration rate
- No significant weaknesses noted

## SUMMARY OF FACTS

**Location:** 3155 Birch Street, Eau Claire, Wisconsin

**Site Size:** 2.6 acres

**Improvement Description:** The proposed development is to be comprised of four-story building with 60 apartments and an attached parking garage.

Improvement Summary	
<b>Building</b>	Three-story elevator apartment building with large attached parking garage. Wood-frame construction, flat membrane roof, elevator, common corridors, and controlled entry.



Improvement Summary (Continued)	
Unit Amenities	Oven/range, refrigerator, dishwasher, disposal, in-unit washer/dryer, and air conditioning.
Common Amenities	Community room, tenant storage, on-site management office, community patio, free internet service in apartments, free basic cable TV service, business center, playground
Parking Spaces	113 total spaces reserved for residential use: 54 underground parking garage spaces, 59 exterior parking spaces
Apartment Utilities	Owner-paid: Heat, unit electric, domestic hot water, water/sewer, & trash
	Tenant-paid: None

**Unit Description:**

Fifty-one of the subject's units will be income-restricted with restricted rents, and nine units will be at market rents. The unit mix and income set-aside schedule is as follows:

Summary of Unit Mix & Set-Aside Levels						
Unit Type	Sq. Ft.	30% AMI	50% AMI	60% AMI	Market	Total
1 BR/ 1 BA <sup>(1)</sup>	700	12	6	5	3	26
2 BR/ 1 BA	964	0	9	10	3	22
3 BR/ 2 BA <sup>(1)</sup>	1,232	0	9	0	3	12
<b>Total</b>		<b>12</b>	<b>24</b>	<b>15</b>	<b>9</b>	<b>60</b>

AMI - Area Median Income

1. Two one-bedroom 30% AMI units and nine three-bedroom 50% AMI apartments will be HOME units

**Primary Market Area:**

The primary market area is defined as an area on the west side of the Madison metro area within the following borders:

Market Area Borders	
North	Eau Claire - Chippewa County Line
East	County Highway P
South	Mitchell Road
West	N. Town Hall Road

**2021 Primary Market Area Population:**

84,262 - Per Environics Analytics  
10.9% population growth since 2000

**Supportive Housing:**

Twelve of the subject's units will provide integrative supportive housing to veterans, disabled persons and individuals at risk of homelessness. Residents of these units will have supportive services provided by West Cap and Western Dairyland.

Community Service Facility:

West Central Community Action Agency, Inc. (West CAP), and Western Dairyland Economic Opportunity Council, Inc. (WDEOC) will have a service plan to connect individuals to employment, offer family-supportive services, and support services to veterans at a Community Service Facility on the first floor of the subject building. These services will be provided free of charge to residents and persons from throughout the Eau Claire area, and in particular, will serve persons at or below the 60% area median household income level.

Proposed and Estimated Rents:

Estimated market rents derived from a rental survey and analysis are on the following page.

Proposed Rent Schedule & Estimated Market Rents							
Unit Type	Square Feet	Count	Proposed Rent	Proposed Rent/SF	Proposed Rent as Percent of Est. Market Rent	Estimated Market Rent	Estimated Market Rent/SF
1 BR/1 BA - 30% AMI - HOME	700	2	\$431	\$0.62	39.2%	\$1,100	\$1.57
1 BR/1 BA - 30% AMI	700	10	\$431	\$0.62	39.2%	\$1,100	\$1.57
1 BR/1 BA - 50% AMI	700	6	\$683	\$0.98	62.1%	\$1,100	\$1.57
1 BR/1 BA - 60% AMI	700	5	\$820	\$1.17	74.5%	\$1,100	\$1.57
1 BR/ 1 BA - Market	700	3	\$1,100	\$1.57	100.0%	\$1,100	\$1.57
2 BR/ 1 BA - 50% AMI	964	9	\$820	\$0.85	60.7%	\$1,350	\$1.40
2 BR/ 1 BA - 60% AMI	964	10	\$984	\$1.02	72.9%	\$1,350	\$1.40
2 BR/ 1 BA - Market	964	3	\$1,325	\$1.37	98.1%	\$1,350	\$1.40
3 BR/ 2 BA - 50% AMI - HOME	1,232	9	\$950	\$0.77	60.5%	\$1,570	\$1.27
3 BR/ 2 BA - Market	1,232	3	\$1,515	\$1.23	98.4%	\$1,540	\$1.25

AMI - Area Median Income

**Total Units: 60**



# PROJECT DESCRIPTION

## SITE DESCRIPTION

The subject site is comprised of a 2.6-acre land parcel located at 3155 Birch Street in Eau Claire, Wisconsin. The subject site is located in the near northeast section of Eau Claire in an area with a mix of commercial and residential development.

Site Summary	
Location	3155 Birch Street, Eau Claire, Wisconsin
Size	2.6 Acres
Proposed Density	23.1 units/acre, average for dense suburban multifamily development
Shape	Irregular
Topography	Gently rolling with large decline to the east toward the Eau Claire River
Frontage	Frontage on Birch Street and exposure on River Prairie Drive
Visibility	Above average visibility- corner site at moderately busy street
Sidewalks	On opposite side of Birch Street and on River Prairie Drive
Existing Improvements	None noted
Proposed Vehicular Access	One curb cut on Birch Street
View	Average
Nuisances	None noted
Proposed Landscaping	Grass, trees, and shrubs
Surrounding Land Uses	
North	Birch Street, day care and office building
Northeast	Birch Street, office building, vacant land, assisted living facility
East	Assisted living facility, vacant land
Southeast	Vacant land, Eau Claire River
South	Vacant land, River Prairie Drive, Eau Claire River
Southwest	Vacant land, River Prairie Drive, vacant land
West	Vacant land, intersection of Birch Street and River Prairie Drive
Northwest	Birch Street, Malden Avenue, church

Public road access and pedestrian access are adequate and there were no adverse influences, nuisances, hazards, or easements observed that could materially negatively impact value. The subject site is considered adequate and suitable for multifamily residential development.

## IMPROVEMENT DESCRIPTION

The proposed development will include one three-story building with 60 apartments and an attached parking garage. The proposed development is planned for completion in August 2023. A summary of the proposed improvements is as follows:



Improvement Summary		
General Description	Building Construction	Parking
Proposed three-story apartment building Completion August 2023 60 total apartments 26 one-bedroom units 22 two-bedroom units 12 three-bedroom units	Wood-frame construction Flat, membrane roof Cement board lap siding and shakes, stone veneer Controlled entry, sprinkler system Common hallways Elevator	Total Parking: 113 spaces 54 garage parkings spaces 59 exterior surface spaces  1.9 spaces per unit, average for suburban family/general occupancy apartments
Common Amenities		
Indoor		Outdoor
Community room Tenant storage Business center	On-site management office Free internet in apartments	Community patio Playground

The unit mix for the development will be as follows:

Unit Mix		
Unit Type	Square Feet	Count
1 BR/ 1 BA	700	26
2 BR/1 BA	964	22
3 BR/2 BA	1,232	12
<b>Total Units:</b>		<b>60</b>

Information about unit finishes, amenities, and utilities is shown below.

Unit Finishes		
Unit Finishes	Kitchen Finishes	Bathroom Finishes
Flooring: Carpet in living rooms and bedrooms, vinyl in kitchens and bathrooms Painted sheetrock walls	Wood cabinets Laminate countertops	Wood vanities Laminate countertops Fiberglass tub surrounds
Unit Amenities		
Unit Amenities	Kitchen Amenities	
Air conditioning In-unit washer/dryer Some private entries Some vaulted ceilings	Oven/range Refrigerator Range hood	Dishwasher Garbage disposal
Utilities		
Tenant-paid	Owner-paid	
None	Heat, domestic hot water, water/sewer, unit electric & trash collection	

### **SUPPORTIVE HOUSING**

Twelve of the subject's units will provide integrative supportive housing to veterans, disabled persons and individuals at risk of homelessness. Residents of these units will have supportive services provided by West Cap and Western Dairyland.

### **SUMMARY**

Overall, the proposed improvements are appropriate for general occupancy/family tenants. The proposed general design of the units and building is consistent with new rental properties that have been well received throughout the State of Wisconsin. The improvements will be of average quality and will be in new condition upon completion.

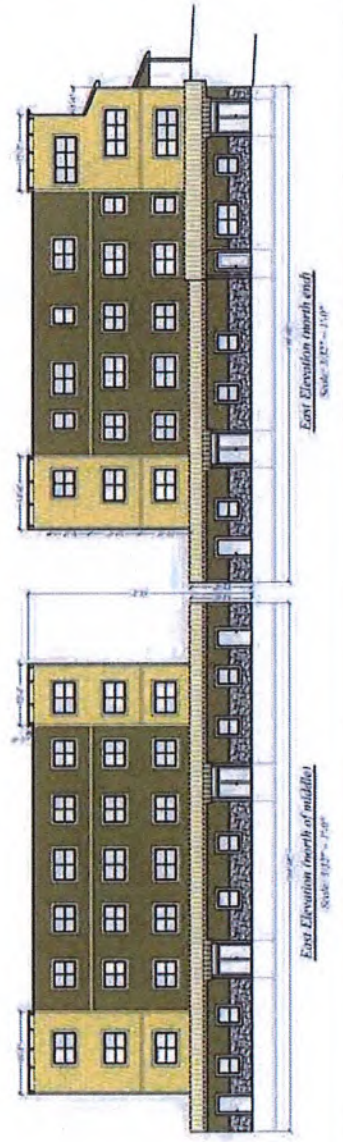
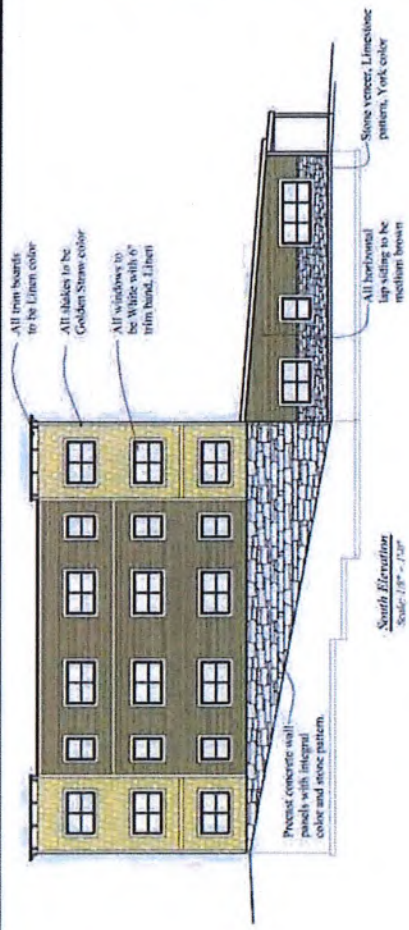
A rendering, elevations, a site plan, building floor plans, and photographs of the subject site, and adjacent properties are presented on the following pages.



ELEVATIONS, SITE PLAN, AND BUILDING FLOOR PLATES



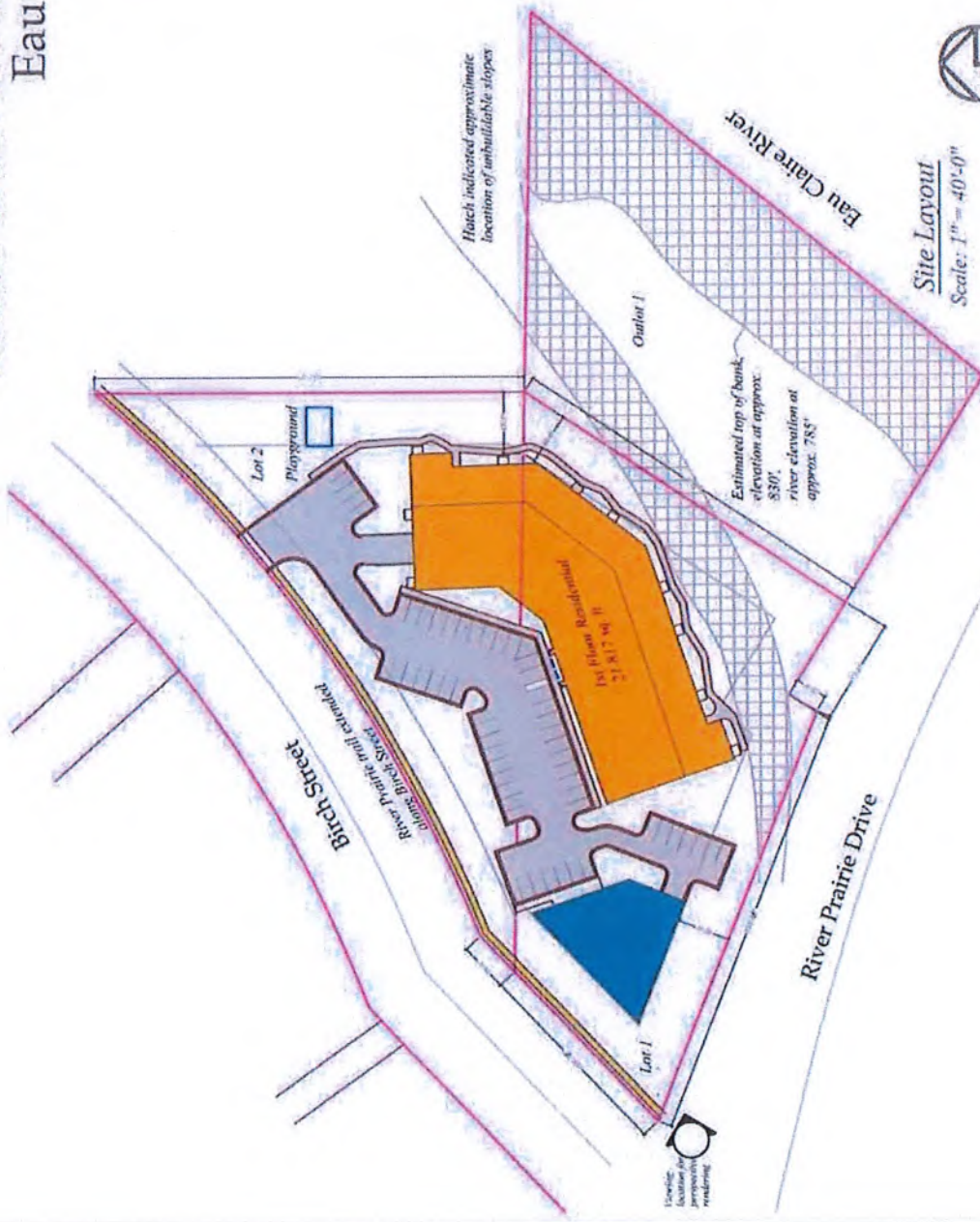






# Prairie Heights Residences

## Corner of River Prairie Dr & Birch St Eau Claire, Wisconsin



**Site Layout**  
Scale: 1" = 40'-0"

- Proposed Calculations:**
- Property Size = 145,926 sq. ft. (3.33 acres)
  - Lot 1 = 56,371 sq. ft.
  - Lot 2 = 89,555 sq. ft.
  - Lot Coverage: 65,222 sq. ft. (44.8%) coverage, balance is open
  - Parking Lot & Drive = 24,110 sq. ft.
  - Accessory Building = 30,296 sq. ft.
  - Commercial Building = 6,518 sq. ft.
  - Stand Alone Commercial Office and Multi-Family Residential with Underpaved Vehicle Parking:
    - 87 Multi-Family Residential occupancy
    - Type M - Combustible, Unprotected Construction
    - 4 story above grade plus
    - Full NFPA 11 Fire Sprinkler system  - 52 Low Hazard Storage Occupancy (Parking Garage)
  - Type B - Non-Combustible, Unprotected Construction
  - 2 story above grade plus
  - Full NFPA 11 Fire Sprinkler system
  - 8 Business Occupancy (Retail Store)
  - Type B - Combustible, Unprotected Construction
  - 1 story at grade
  - Full NFPA 11 Fire Sprinkler system
- Multi-Family Residential Building:**
- Ground Floor Parking @ 100' = 30,296 sq. ft.
  - Second Floor Parking @ 100' = 19,662 sq. ft.
  - Third Floor Parking @ 100' = 19,662 sq. ft.
  - Total Floor Area = 69,620 sq. ft.
  - Ratio 1 occupant = 30,296 sq. ft. Ratio Total Area = 87, 240 sq. ft.
- Residential Units Allowed per MFR zoning = 21 per acre plus 25%  
8.33 x 21 x 1.25 = 87.9 units allowed
- 89 Residential Units: 87% reserved for housing**
- 26 - 1 Bedroom (611 sq. ft.)
  - 25 - 2 Bedrooms (1,232 sq. ft.)
  - 38 - 3 Bedrooms (1,853 sq. ft.)
- On-Site Parking Requirement Calculations:**  
(1 space per bedroom & 1 space per 200 sq. ft. of office)
- 26 (24) - 1 Bedroom, 4 handcycle, 4 accessible
  - 44 (2) - 2 Bedrooms, 3 handcycle, 8 accessible
  - 38 (17) - 3 Bedrooms, 1 handcycle, 1 accessible
  - 27 (25) - 3rd Floor, 100 (handcycle, 1 accessible)
  - 113 Parking requirement per above summary
  - 119 Total Parking @ 100' & 200' (handcycle/accessible)
  - 113 Total Parking Requirement
- On-Site Parking: Provided**
- 34 - Underpaved parking stalls (1 HC, none accessible)
  - 39 - Site Plan/21 LLC, none accessible
  - 113 - Total Parking stalls

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 Denver, CO 80202

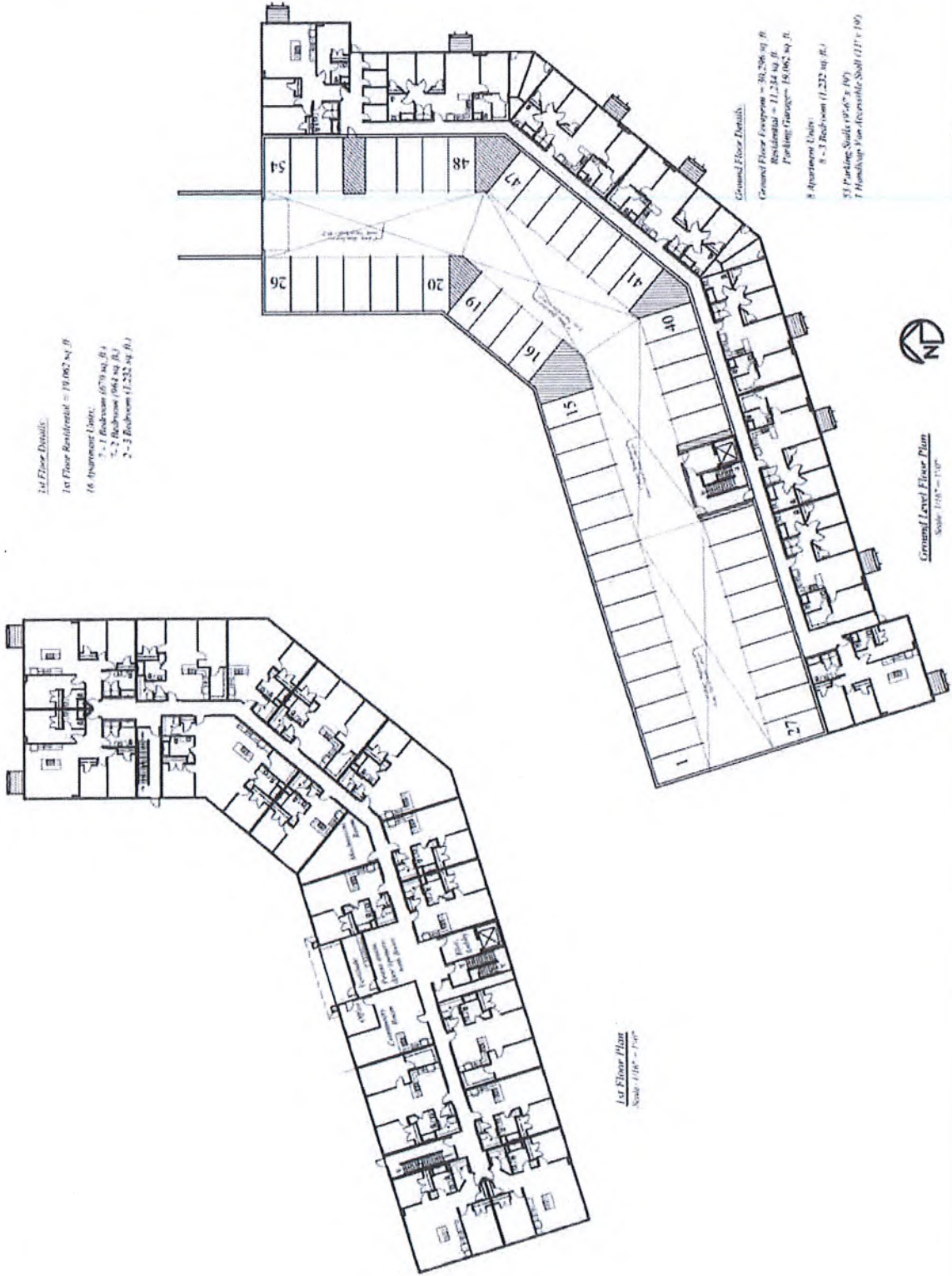
**A2**

Scale: 1/8" = 1'-0"

North Arrow

Legend

- 1" = 1" (1/8" = 1'-0")
- 2" = 2" (1/4" = 1'-0")
- 3" = 3" (3/8" = 1'-0")
- 4" = 4" (1/2" = 1'-0")
- 5" = 5" (5/8" = 1'-0")
- 6" = 6" (3/4" = 1'-0")
- 7" = 7" (7/8" = 1'-0")
- 8" = 8" (1" = 1'-0")
- 9" = 9" (1 1/8" = 1'-0")
- 10" = 10" (1 1/4" = 1'-0")
- 11" = 11" (1 1/2" = 1'-0")
- 12" = 12" (1 3/4" = 1'-0")
- 13" = 13" (1 7/8" = 1'-0")
- 14" = 14" (2" = 1'-0")
- 15" = 15" (2 1/8" = 1'-0")
- 16" = 16" (2 1/4" = 1'-0")
- 17" = 17" (2 1/2" = 1'-0")
- 18" = 18" (2 3/8" = 1'-0")
- 19" = 19" (2 1/2" = 1'-0")
- 20" = 20" (2 5/8" = 1'-0")
- 21" = 21" (2 3/4" = 1'-0")
- 22" = 22" (2 7/8" = 1'-0")
- 23" = 23" (3" = 1'-0")
- 24" = 24" (3 1/8" = 1'-0")
- 25" = 25" (3 1/4" = 1'-0")
- 26" = 26" (3 1/2" = 1'-0")
- 27" = 27" (3 3/8" = 1'-0")
- 28" = 28" (3 1/2" = 1'-0")
- 29" = 29" (3 5/8" = 1'-0")
- 30" = 30" (3 3/4" = 1'-0")
- 31" = 31" (3 7/8" = 1'-0")
- 32" = 32" (4" = 1'-0")
- 33" = 33" (4 1/8" = 1'-0")
- 34" = 34" (4 1/4" = 1'-0")
- 35" = 35" (4 1/2" = 1'-0")
- 36" = 36" (4 3/8" = 1'-0")
- 37" = 37" (4 1/2" = 1'-0")
- 38" = 38" (4 5/8" = 1'-0")
- 39" = 39" (4 3/4" = 1'-0")
- 40" = 40" (4 7/8" = 1'-0")
- 41" = 41" (5" = 1'-0")
- 42" = 42" (5 1/8" = 1'-0")
- 43" = 43" (5 1/4" = 1'-0")
- 44" = 44" (5 1/2" = 1'-0")
- 45" = 45" (5 3/8" = 1'-0")
- 46" = 46" (5 1/2" = 1'-0")
- 47" = 47" (5 5/8" = 1'-0")
- 48" = 48" (5 3/4" = 1'-0")
- 49" = 49" (5 7/8" = 1'-0")
- 50" = 50" (6" = 1'-0")
- 51" = 51" (6 1/8" = 1'-0")
- 52" = 52" (6 1/4" = 1'-0")
- 53" = 53" (6 1/2" = 1'-0")
- 54" = 54" (6 3/8" = 1'-0")
- 55" = 55" (6 1/2" = 1'-0")
- 56" = 56" (6 5/8" = 1'-0")
- 57" = 57" (6 3/4" = 1'-0")
- 58" = 58" (6 7/8" = 1'-0")
- 59" = 59" (7" = 1'-0")
- 60" = 60" (7 1/8" = 1'-0")
- 61" = 61" (7 1/4" = 1'-0")
- 62" = 62" (7 1/2" = 1'-0")
- 63" = 63" (7 3/8" = 1'-0")
- 64" = 64" (7 1/2" = 1'-0")
- 65" = 65" (7 5/8" = 1'-0")
- 66" = 66" (7 3/4" = 1'-0")
- 67" = 67" (7 7/8" = 1'-0")
- 68" = 68" (8" = 1'-0")
- 69" = 69" (8 1/8" = 1'-0")
- 70" = 70" (8 1/4" = 1'-0")
- 71" = 71" (8 1/2" = 1'-0")
- 72" = 72" (8 3/8" = 1'-0")
- 73" = 73" (8 1/2" = 1'-0")
- 74" = 74" (8 5/8" = 1'-0")
- 75" = 75" (8 3/4" = 1'-0")
- 76" = 76" (8 7/8" = 1'-0")
- 77" = 77" (9" = 1'-0")
- 78" = 78" (9 1/8" = 1'-0")
- 79" = 79" (9 1/4" = 1'-0")
- 80" = 80" (9 1/2" = 1'-0")
- 81" = 81" (9 3/8" = 1'-0")
- 82" = 82" (9 1/2" = 1'-0")
- 83" = 83" (9 5/8" = 1'-0")
- 84" = 84" (9 3/4" = 1'-0")
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- 86" = 86" (10" = 1'-0")
- 87" = 87" (10 1/8" = 1'-0")
- 88" = 88" (10 1/4" = 1'-0")
- 89" = 89" (10 1/2" = 1'-0")
- 90" = 90" (10 3/8" = 1'-0")
- 91" = 91" (10 1/2" = 1'-0")
- 92" = 92" (10 5/8" = 1'-0")
- 93" = 93" (10 3/4" = 1'-0")
- 94" = 94" (10 7/8" = 1'-0")
- 95" = 95" (11" = 1'-0")
- 96" = 96" (11 1/8" = 1'-0")
- 97" = 97" (11 1/4" = 1'-0")
- 98" = 98" (11 1/2" = 1'-0")
- 99" = 99" (11 3/8" = 1'-0")
- 100" = 100" (11 1/2" = 1'-0")



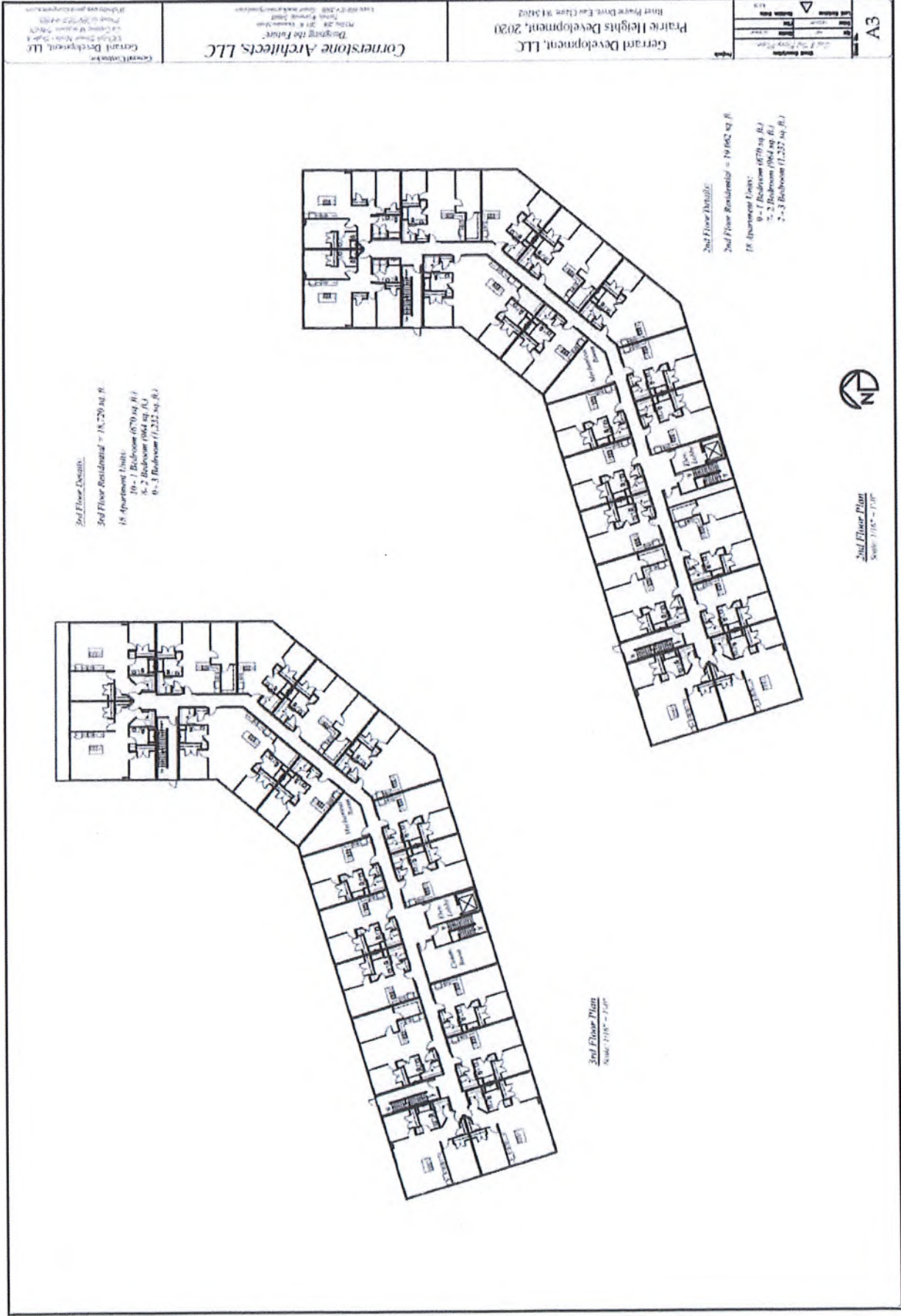
**1st Floor Details:**  
 1st Floor Residential = 19,000 sq. ft.  
 1st Floor Apartment Units:  
 1 - 1 Bedroom (679 sq. ft.)  
 2 - 2 Bedrooms (964 sq. ft.)  
 2 - 3 Bedrooms (1,232 sq. ft.)

**1st Floor Plan**  
 Scale: 1/8" = 1'-0"

**Ground Floor Details:**  
 Ground Floor Entrance = 30,206 sq. ft.  
 Residential = 11,234 sq. ft.  
 Parking Garage = 16,066 sq. ft.  
 8 Apartment Units:  
 8 - 3 Bedrooms (1,232 sq. ft.)  
 31 Parking Stalls (196' x 19')  
 7 Handicap Van Accessible Stalls (17' x 19')

**Ground Level Floor Plan**  
 Scale: 1/8" = 1'-0"





**2nd Floor Details:**  
 2nd Floor Residential = 18,720 sq. ft.  
 18 Apartment Units:  
 10 - 1 Bedroom (670 sq. ft.)  
 11 - 2 Bedrooms (984 sq. ft.)  
 12 - 3 Bedrooms (1,232 sq. ft.)

**2nd Floor Details:**  
 2nd Floor Residential = 19,662 sq. ft.  
 18 Apartment Units:  
 10 - 1 Bedroom (670 sq. ft.)  
 11 - 2 Bedrooms (984 sq. ft.)  
 12 - 3 Bedrooms (1,232 sq. ft.)

**2nd Floor Plan**  
 Scale: 1/8" = 1'-0"

**2nd Floor Plan**  
 Scale: 1/8" = 1'-0"



1/8" = 1'-0"	1/4" = 1'-0"	1/2" = 1'-0"	3/4" = 1'-0"	1" = 1'-0"
1/8" = 1'-0"	1/4" = 1'-0"	1/2" = 1'-0"	3/4" = 1'-0"	1" = 1'-0"

A3

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**1. INCOME REQUIREMENT UP TO 97 POINTS**

**1.a. Serves Lowest Income Residents Up to 65 Points**

Points are awarded based on a percentage of units reserved for households with incomes at 50% or less of the Eau Claire County Median Income (CMI) as follows:

Total Units for Development	60			
CMI Set-Aside Percentage	Number of Units @ CMI	Percentage of Total (must meet or exceed 5%)	Multiplying Factor	Points
50% to 30%	24	%	x 0.86	34.4
Below 30%	12	%	x 1.29	25.8
Total Points*				

\*Points are rounded down.

Subsection Points Claimed: **60.2**

**1.b. Mixed-Income Incentive Up to 12 Points**

Percentage of market-rate units (rents must be at least 5% greater than the 60% CMI gross rent limit for comparable unit sizes). Score 0.80 points for every percentage point of market-rate units in the development as a whole, up to 12 points. Points are rounded down.

Description	Amount	Formula
Number of Market Rate Units	9	= A
Total Units	60	= B
Percentage of Market Rate Units	%	= A/B * 100%
0.80 Multiplier	x 0.80	x 0.80
Points		= A/B * 100% * 0.80

Subsection Points Claimed: **12**

**1.c. Serves Large Families 5 Points**

Eligible for 5 points if meets all 3 criteria below:

Yes  No

- Minimum of 3 bedrooms
- Minimum of 10% of units must be for families who are also 50% CMI or below or have committed project-based vouchers or other rental subsidies.
- Must also have ground floor private entrance.

Subsection Points Claimed: **15%=5 points**



**1.d. Supportive Housing**

**Up to 15 Points**

Provide any combination of 30% CMI Housing Tax Credit (HTC) units and rental subsidy assistance for the targeted units. If rental subsidies, applicant must submit firm commitments for the targeted number of units.

Provide a signed Appendix S Certification that the owner will cooperate with WI Department of Health Services (WIDHS) to find qualifying residents for the targeted units.

Score 0.75 points for every percentage point of targeted housing in the development as a whole, up to 15 points. Points are rounded down. Common space manager units should not be included in the total unit count.

Example: A 24-unit development with 4 units of either 30% HTC units or rental assistance would score 12.0 points.  $(4/24 = 16.67\% \times 0.75 = 12.5)$ .

Number of Supportive Units	Total Units	Percentage of Supportive Housing	Multiplier	Points
12	60	20%	x 0.75	15

Subsection Points Claimed: 15

Section 1. Income Requirement Points Claimed: 92.2

**2. LOCATION**

**UP TO 47 POINTS**

**2.a. Amenities and Services**

**Up to 47 Points**

Up to a maximum of 47 points may be awarded for access to amenities and services located within 0.5 miles, unless otherwise stated.

Amenities	Meets Criteria	Points
Full service grocery store (provides fresh produce)	<input checked="" type="checkbox"/>	8
Full service Medical Clinic or Hospital*	<input checked="" type="checkbox"/>	4
In-unit internet at no cost to residents	<input checked="" type="checkbox"/>	8
Library**	<input type="checkbox"/>	4
On-site community room	<input checked="" type="checkbox"/>	4
Public Park	<input checked="" type="checkbox"/>	4
Public School	<input type="checkbox"/>	4
Public Transit stops (within 0.25 miles)	<input checked="" type="checkbox"/>	10
Senior Center	<input type="checkbox"/>	8
Walkability score of at least 70***	<input type="checkbox"/>	10
Walkability score of at least 50-69***	<input type="checkbox"/>	5

\*A specialty medical clinic (such as podiatrist or ophthalmologist), diagnostic lab, nursing home or hospice facility does not meet the definition of full-service medical clinic or hospital.

\*\*University libraries, public/private school libraries, state kiosk, express libraries or mini/mobile libraries are not eligible for points.

\*\*\*Walkability is calculated using Walk Score: <https://www.walkscore.com/cities-and-neighborhoods/>.

Subsection Points Claimed: **38**

Services	Meets Criteria	Points
Community services facility*	<input checked="" type="checkbox"/>	8
Job-training facility, community college, or continuing education programs (must be available for tenant participation)**	<input checked="" type="checkbox"/>	4
Social Services***	<input checked="" type="checkbox"/>	8

\*Includes a job/skill training center or employment counseling center (or similar facilities) on site.

\*\*Job-Training Facility, Community College, or Continuing Education Programs - must be available to tenant base to participate.

\*\*\*Social Services means the total range of services to people including, but not limited to, health care, mental illness treatment, developmental disabilities services, income maintenance, probation, extended supervision and parole services, alcohol and drug abuse services, services to children, youth and aging, family counseling, special education services, and manpower services.

Subsection Points Claimed: **20**

Section 2. Location Points Claimed: **58**

*MAX 47*



**3. FINANCIAL LEVERAGE**

**Up To 36 Points**

Applicants will be awarded points by the requested amount of funds per affordable units provided.

Description	Amount	Formula
Requested Amount	300,000	= \$
Total Number of Affordable Units*	36	= N
Requested Amount Per Unit	8,333.33	= \$ / N

Request per Unit	Meets Criteria	Points
\$ 0 – \$ 12,999.99 / unit	<input checked="" type="checkbox"/>	36
\$ 13,000 - \$ 16,999.99 / unit	<input type="checkbox"/>	24
\$ 17,000 - \$ 20,999.99 / unit	<input type="checkbox"/>	12
\$21,000 or more / unit	<input type="checkbox"/>	0

\*Affordable unit(s) are those set aside for households with incomes at or below 50% CMI.

Section 3. Financial Leverage Points Claimed:

36

4. INCLUSIVE DESIGN

Up to 47 POINTS

Single, duplex, tri-plex unit projects are all eligible for BASIC feature points. If met, then the additional feature points can also be awarded.

In a multiple unit project, at least 25% of units MUST meet "Basic Feature" criteria for points and 50% or more of the units will award more points.

Type of Project	25% of Total Units		50% of Total Units	
	Meets Criteria	Points	Meets Criteria	Points
<b>New Construction</b>				
• Includes ALL 4 basic features	<input type="checkbox"/>	18	<input checked="" type="checkbox"/>	30
• Includes Basic Features #1, 2, 3, 4b & 4c	<input type="checkbox"/>	15	<input type="checkbox"/>	25
• Includes Basic Features #1, 2, 3, & 4c	<input type="checkbox"/>	11	<input type="checkbox"/>	19
<b>Acquisition/Rehab &amp;/or Adaptive Reuse Projects</b>				
• Includes ALL 4 Basic Features	<input type="checkbox"/>	18	<input type="checkbox"/>	30
• Includes Basic Features #1, 2, 3, 4b & 4c	<input type="checkbox"/>	15	<input type="checkbox"/>	25
• Includes Basic Features #1, 2, 3, & 4c	<input type="checkbox"/>	11	<input type="checkbox"/>	19
<b>*Acquisition/Rehab &amp;/or Adaptive Reuse where Zero Entry is NOT achievable (must be verified)</b>				
• Includes Basic Features #2, 3, 4a, 4b & 4c	<input type="checkbox"/>	15	<input type="checkbox"/>	25
• Includes Basic Features #2, 3, & 4c	<input type="checkbox"/>	11	<input type="checkbox"/>	19

\*The purpose of this subcategory is to include rehab of existing properties where Zero Entry is NOT achievable but the Basic Access features will make housing accessible to those who are able to manage a few steps to get in and out of their home but need additional features to safely live in it. A railing is required and a ramp also may or may not be possible here.

Subsection Points Claimed: 30

Basic Features Definitions:

1. One Zero-Step entry with low profile threshold
2. A bedroom, living area (with kitchen) & bathroom all on one accessible floor
3. All interior and exterior doors 36" wide
4. Bathroom features:
  - a. Shower (30" X 60") & can have a 2" curb
  - b. Minimum 48" X 30" clear floor space in front of sink toilet and shower. \*Note: Vanity along rear wall next to toilet can overlap the 48" clearing provided that clearance at the toilet is 33" minimum.
  - c. Blocking inside wall around shower and toilet for possible install of grab bars (rim the 3 shower walls, place blocking in the side and back walls by toilet). \*Note: Can purchase shower units with wood backing already installed in the unit.



EAU CLAIRE AFFORDABLE HOUSING FUND SCORING

DRAFT

If 18, 15 or 11 points are awarded for including "Basic" Inclusive Design Features, up to 17 Bonus Points will be awarded for additional features as follows:

Additional Feature Bonus	Meets Criteria	Points
Lever door handles	<input checked="" type="checkbox"/>	1
Rocker switches	<input checked="" type="checkbox"/>	1
Single lever bath and kitchen faucets	<input checked="" type="checkbox"/>	1
Permanent non-skid surface in shower	<input checked="" type="checkbox"/>	2
*Closet doors have clear 30" X 48" floor space and doors more than 18" deep have 32" clear opening	<input checked="" type="checkbox"/>	2
*One window in a living and sleeping space complies with Section 309	<input checked="" type="checkbox"/>	2
*Mirror height	<input checked="" type="checkbox"/>	2
Flooring transition 1/4" maximum vertical and less than 1/2" beveled; carpet pile maximum 1/2"	<input checked="" type="checkbox"/>	3
Entrance door: ADA threshold, delayed action closer & maneuverable clearances	<input type="checkbox"/>	3
Electrical outlets & cable/data outputs minimum 18" height from floor	<input checked="" type="checkbox"/>	3
In-unit laundry	<input checked="" type="checkbox"/>	3
Accessible route from parking or street level to units	<input checked="" type="checkbox"/>	3
*5-foot turn-around in bathroom	<input type="checkbox"/>	3
Roll-in shower (no curb). Need enough floor space for water management	<input type="checkbox"/>	3
*Garbage disposal switch, range hood controls and electrical receptacles in kitchen meet Sect. 309. Note: Can purchase air switch for garbage disposal inexpensively; can purchase range hood with app (i.e., Zephyr) but expensive or electrician installs a remote switch.	<input type="checkbox"/>	3
*One accessible work surface in kitchen Sect. 1103.12.3 (counter top is 34" from floor	<input type="checkbox"/>	3

\*Features needed for a wheelchair user who does not stand.

Additional features bonus, unless otherwise stated, must meet the current building code for the State of Wisconsin is the 2015 ICC (International Code Council) Code and the referenced standard for accessibility is ICC/ANSI A117.1-2017. References to section numbers within Universal Design are sections numbers from ICC/ANSI A117.1-2017.

Subsection Points Claimed: 26

Section 4. Inclusive Design Points Claimed: ~~56~~ 47

MAX 47

**5. REHAB/NEIGHBORHOOD STABILIZATION****25 POINTS**

Points will be awarded to applications which propose acquisition and rehab of existing single family, duplex, three-plex or four-plex housing as part of a targeted, city-supported plan to stabilize neighborhoods due to vacant properties and/or foreclosure.

**Requirements:**

- City support letter including: 1) description of overall neighborhood plan, 2) details of financial support and 3) support for proposed property clustering.
- Minimum of 2 units.
- Minimum \$25,000 per unit of hard cost rehab. Hard cost rehab, is defined as the Subtotal: New construction/Rehabilitation on the Project Cost and Credit Calculation page, less Construction of New Buildings.
- New Construction allowed only if building(s) will be demolished or have been demolished and is replacing like housing (no additional units). Such new construction is limited to 50% of total units. New construction must meet "basic features" standards found in 4. Inclusive Design.
- An application's aggregate occupied units shall be automatically assumed by the City of Eau Claire to have a maximum 85% applicable fraction (i.e., assumed to have 15% over-income households) unless the applicant provides rent rolls, certifications, or other information sufficient for the City of Eau Claire to determine that a higher applicable fraction will not result in the displacement of current residents. Aggregate un-occupied units may be assumed to be 100% income qualifying.
- Applications must demonstrate a year one proforma rent increase of no more than five percent (5%) for any occupied rental units. Provide current rent schedule and explanation.
- Must show property clustering no greater than one-half (1/2) mile radius. Proposed clustering must be supported by city letter.
- Must show financial support minimum 5% of total development cost by the local government and/or private institutions or foundations.
- Unit mix may include single family homes, duplexes, tri-plexes or four-plexes but not less than 50% of the total units must be single family homes.
- Application operating expenses must reflect annual replacement reserve deposit of \$400/unit minimum.

**Section 5. Rehab/Neighborhood Stabilization Points Claimed:**

0



**6. ENERGY EFFICIENCY AND SUSTAINABILITY 20 POINTS TOTAL**

Points awarded to developments which promote long term energy efficiency and sustainability through thoughtful design. A maximum of 20 points will be awarded if the project meets one of the below standards as follows:

Description	Points
City of Eau Claire Renewable Energy Action Plan*	20
Wisconsin Green Built Home Standard (score of 200 or more)	20
Enterprise Green Communities Certification Plus	20

\*Modify the project using the City of Eau Claire Green House Gas Calculator to achieve a 30% reduction in Green House Gas emissions from baseline development.

Section 6. Energy Efficiency and Sustainability Points Claimed: 20

7. DEVELOPMENT TEAM

Up to 12 Points

Description	Meets Criteria	Points
<b>Housing Tax Credit (HTC) Experience</b>		
Successful completion of two or more HTC properties	<input checked="" type="checkbox"/>	3
Two or more years of HTC experience	<input checked="" type="checkbox"/>	3
<b>Minority Developers*</b>		
Applications that include a minority developer or minority co-developer that have at least 49% stake in all aspects of the development including but not limited to ownership, cash-flow, and voting rights.	<input type="checkbox"/>	3
Applications that include a minority developer or minority co-developer that have at least 24% stake in all aspects of the development including but not limited to ownership, cash-flow, and voting rights.	<input type="checkbox"/>	2
<b>Local Applicants**</b>		
Applicants that include a local co-developer that have at least 49% stake in all aspects of the development including but not limited to ownership, cash-flow, and voting rights.	<input type="checkbox"/>	6
Applicants that include a local co-developer that have at least 24% stake in all aspects of the development including but not limited to ownership, cash-flow, and voting rights.	<input type="checkbox"/>	4
<b>Development Team Members</b>		
A Non-profit organization acting as developer and an owner (meets non-profit set-aside).	<input checked="" type="checkbox"/>	2
Application which includes an organization acting as lead developer and an owner, that has participated in fewer than 4 HTC properties as a lead developer or owner.	<input checked="" type="checkbox"/>	2

\*Applicants must meet eligibility criteria found in the Wisconsin Housing and Economic Development Authority (WHEDA) Minority Business Self Certification 2021 Housing Tax Credit Cycle: <https://www.wheda.com/globalassets/documents/tax-credits/htc/2021/wheda-minority-business-self-certification-form.pdf>

\*\*Applicants with an established office within Chippewa County, Dunn County, or Eau Claire County.

Section 7. Development Team Points Claimed: 10



**8. TOTAL POINTS**

Up to 284 Points

Please add the total points claimed per section and total.

Description	Points
Section 1. Income Requirement	92.2
Section 2. Location <b>58</b>	47
Section 3. Financial Leverage	36
Section 4. Inclusive Design <b>30 +26=56</b>	47
Section 5. Rehab/Neighborhood Stabilization	0
Section 6. Energy Efficiency and Sustainability	20
Section 7. Development Team	10
<b>Total Points:</b>	252.2







# **CITY OF EAU CLAIRE, WISCONSIN 2021 AFFORDABLE HOUSING FUND RFP**

## *Main Street Lofts*

November 15, 2021

Submitted By:

Northernstar Companies, LLC

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### Additional Attachments

- A. Self Scoring
- B. Team Resumes
- C. Previous Examples of Financing
- D. Operating Proforma & Development Budget



November 15, 2021

City of Eau Claire - Community Development Director  
Attention: Scott Allen  
203 South Farwell Street  
Eau Claire, WI 54702-5148

RE: Main Street Lofts Development – 500 Main Street, Eau Claire, WI

Dear Scott Allen,

U.S. Department of Health and Human Services, has identified national objectives to improve health across the country. While most of the agency's efforts have obvious impacts on physical health, for example the national push to curb smoking, the ODPHP has transitioned to a more holistic view of health.

The Healthy People 2030 initiative highlights the need to address the social determinants of health by creating "social and physical environments that promote good health for all." These determinants include healthy physical living conditions (e.g., clean, safe, and affordable housing) as well as healthy social conditions (e.g., access to social support, food security, education, and employment opportunities).

Both are critical to create a healthy "place" for people to thrive and grow. In other words, simply providing housing is insufficient if it does not support a healthy, socially engaged lifestyle. Similarly, providing programs does not accomplish much if a person does not have a safe place to live. Healthy People 2030 has defined five key components to its "place-based" public health framework to include economic stability, education, social and community context, health/healthcare, and the neighborhood/built environment. This framework provides communities with a guide to achieving positive public health outcomes and creating thriving neighborhoods with healthy, happy people. As an organization dedicated to helping people live well by addressing the social determinants of health, The City of Eau Claire makes logical sense as a partner with Northernstar Companies and local service providers for the Main Street Lofts development.

Northernstar Companies, together with our partners, wish to address the affordable housing challenges, while also honoring the Eau Claire community's heritage. We have combined a physical design for the property that pays homage to the neighborhood's heritage while also incorporating the promise of the future through affordable, contemporary housing.

Sincerely,  
Brandon Methu

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## Team Structure

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### *Project Team:*

1. **Lead Developer** – Northernstar Companies, LLC.
2. **Co-Developer** – TBD
3. **Co-Developer** – TBD
4. **General Contractor** – Altius Building Company.
5. **Property Manager** – TEAM Management, LLC.
6. **Architect** – Continuum Architects + Planners, S.C.

### *Developer: Northernstar Companies*

Northernstar Companies is an ACRE born commercial real estate firm in the Greater Milwaukee area. We are proud of the fact that we use our business as a vehicle to enhance the lives of those who live, work, and play in and around the projects we develop.

Key Staff Members:    Brandon Methu - Founding Principal  
                                  James Methu - President

Northernstar Companies is a real estate development firm that acquires, owns, renovates, and operates affordable, workforce, and value-oriented assets across southeastern Wisconsin. Northernstar Companies partners with institutional investors – both domestically and internationally – to deliver quality primary housing in major metropolitan and suburban Wisconsin markets.

A primary focus of our mission is to provide hard-working families higher quality, well maintained, and safe value rental housing – a base for their pursuit of the American Dream. We invest not only in brick and mortar but in on-site services, amenities, and activities that add value to properties and bring our residents' desired lifestyles within reach.

Families with incomes of \$30,000 to \$80,000 represent the largest segment of the rental housing market. We regard the ability to serve this market as a social, cultural, and financial opportunity.

Prior to founding Northernstar Companies, Brandon Methu was the lead analyst of a Milwaukee-based commercial real estate company where he led structuring and negotiation of acquisitions, RFP submissions, and pre-development activities.

Previously, Brandon managed the financial analysis, project planning, and preliminary due diligence of more than \$150 Million of world-class affordable real estate projects as the Project Coordinator of a regional housing developer and Investment Analyst with the Federal Home Loan Bank.

Brandon holds a BA in Economics from the University of Wisconsin-Milwaukee, an Associates in Commercial Real Estate from Milwaukee School of Engineering and sits on the board of Community First MKE.

### *General Contractor: Altius Building Company*

Altius mission is to deliver construction management and development integration solutions second to none in quality and efficiency, with a focus on uncompromising honesty and integrity.

The success of every project we complete begins with our team of construction management experts. At Altius Building Company, our project teams are handpicked for the needs of each project. They have



outstanding skills managing complex deliverables, uncovering efficiencies, solving problems, and executing projects.

Although each project and partnership is unique, one thing never waivers, our core values. As a company, we continually pursue excellent service, safety, integrity, quality craftsmanship, accountability, and professionalism. Every member of our team plays a critical role in ensuring that our client's needs come first, while completing our projects on-time and often, under budget.

Leading the company is Scott Drees, President & CEO; Jonathan Ward, Vice President of Development Integration, and Darren Smith, Controller.

**Property Manager: TEAM Management**

Established in 1997, TEAM Management provides a full range of property management services for commercial and multi-family buildings. TEAM Management, since its inception, has specialized in managing properties designated for affordable housing either through Section 8 or Section 42. Through our experienced staff, we provide our clients with the best in property management services.

Our property managers and compliance monitors are trained in Section 42 through YASC training and seminars. Section 8 training is done through occupancy specialist certification courses. In addition, our staff has attended the Landlord Training Program which focuses on problem solving techniques for low income housing managers.

**Architect: Continuum Architects + Planners, S.C**

Continuum designs relevant and award-winning architecture responsive to clients and beneficial to the community. We offer interactive programming and planning; full architectural and interior design; historical consultation and rehab; and comprehensive project management as part of our in-house services.

Established in 1996, Continuum Architects + Planners is a highly technical team of experienced professionals. We can deliver projects from \$100,000 to \$140 million dollars and manage multiple active projects at one time while never compromising client service.

Currently, the firm has 17 team members including five principals, seven licensed architects—three who are LEED APs—three degreed technicians, and one administrative professional. Together, the teams' experiences, enthusiasm and determination are a dynamic combination well suited to addressing clients' needs in a variety of building types such as higher education, mixed-use, multi-family housing, offices, and public facilities.

It is Continuum's belief that good architecture can affect a community's quality of life. Well-thought-out, sustainable design can be a great source of pride to the community. We believe that architecture and the built environment play important roles in the way companies and building occupants are perceived by other members of the community, and that architecture needs to facilitate rather than discourage this important interaction. The design process should be an enjoyable experience for all participants, with emphasis on a highly interactive process.



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## Firm Qualifications and Experience

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Northernstar Companies LLC is a vertically integrated group of companies specializing in real estate development, consulting, and management services. Started in 2017 and headquartered in Milwaukee, Wisconsin, Northernstar Companies began as a development firm with the goal of improving access to independent housing. Our success has provided exposure to new commercial real estate markets and allowed us to add consulting and property management divisions to create our integrated service platform. We credit many successes to Northernstar Companies systematic development process, careful selection of project and community partners, and a steadfast commitment to our core values of honesty, respect, integrity, and compassion.

In our 4-year history, Northernstar Companies has completed over \$50 Million in development and consulting work, and our management portfolio currently includes nearly 300 units that are more than 97% occupied.

Examples of success in applying for Low Income Housing Tax Credit (LIHTC) allocations in Wisconsin: Northernstar Companies is one of the most experienced affordable housing developers in the state. Northernstar Companies leadership brings 12 years of multifamily housing experience and has led 24 tax credit projects in various communities across Wisconsin, Indiana, and northern Illinois. Our performance track record is outstanding with WHEDA and our company consistently earns top point scoring for development team quality in the application process through our unique partnerships. Northernstar Companies is experienced in analyzing the application process and recommending best strategies to maximize both scoring and project performance/feasibility.

Recent successes in applying for LIHTC allocations in Wisconsin, which all involve public/private partnerships, nonprofit partners, and various sources of soft funding, include:

1. Riverwest Food Accelerator (Milwaukee) – 91-unit, The Riverwest Food Accelerator will be on the ground floor of a newly constructed four-story building with 91 apartments on the upper floors. Known currently as the Riverwest Food Accelerator, the 2020 tax credit awarded proposal is modeled after efforts the team has seen in other markets including the Union Kitchen in Washington D.C. The proposal is backed by many groups, including equipment supplier and kitchen designer Boelter, the Riverwest Food Pantry, Milwaukee Area Technical College's culinary program, Teens Grow Greens, and the MKE Food School.
2. 37<sup>th</sup> Street School Apartments (Milwaukee) – 49-unit affordable housing development, 37th Street Apartments is the adaptive re-use of the former 37th Street School into 49-units of high-quality, light-filled modern affordable living for older adults aged 55 or older. The building includes 22 studio apartments, 21 one-bedroom units and 6 two-bedroom units including individually controlled heating, private bathrooms, and appliance furnished kitchens.



## Project Description and Design

Northernstar Companies and our partners are excited to propose a 65-unit residential development on the 500 Main Street in Eau Claire, WI. By leveraging low interest rate tax exempt permanent financing, 4% tax credits from WHEDA, and local and federal grant dollars, we are confident that this development can meet the vision of the City and neighborhood, and deliver high-quality affordable housing to residents of Eau Claire.

The proposed project is a 65-unit multi-story apartment building, containing 65 affordable units to be financed with LIHTC. The unit mix is proposed as follows:

No. of bedrooms	Set-Aside	No. of Units	Area (Square Feet)	Net Rent
Eff Bedroom	30% AMI	8	450	\$324
Eff Bedroom	50% AMI	4	450	\$569
1 Bedroom	50% AMI	5	700	\$654
1 Bedroom	60% AMI	5	700	\$759
1 Bedroom	80% AMI	8	700	\$984
2 Bedroom	50% AMI	4	840	\$771
2 Bedroom	60% AMI	6	840	\$897
2 Bedroom	80% AMI	9	840	\$1167
3 Bedroom	50% AMI	6	1150	\$887
3 Bedroom	60% AMI	3	1150	\$1033
3 Bedroom	80% AMI	7	1150	\$1345

This development will target artists and individuals and families experiencing displacement due to gentrification, as well as the broader Milwaukee community. The unit mix above sets aside 12% of units for households at or below 30% AMI, meeting WHEDA's requirement. This aligns with City of Eau Claire and National housing priorities to end chronic homelessness, and ensures that extremely low-income residents will be able to secure quality affordable housing.

The development team intends to partner with local Continuum of Care, and TEAM Management which has extensive experience providing supportive services to individuals with disabilities, and low-income families. TEAM will ensure that management services are in place to help displaced residents gain stability. The development would utilize the City's Continuum of Care's prioritization list for referrals for these units.

The proposed building will include design considerations to best support residents transitioning out of single-family homes, including full accessibility, per ADA, to support residents with physical disabilities. Building layout, unit floor plans, and materials will be selected in conjunction with Altius Building Company to ensure units meet the needs of the individuals and families that they serve for the life-cycle of the development.

The building will include a leasing office, exercise room, and community room. The community room will be used for resident activities, workshops, and education. Community-based service providers will provide onsite training and workshops on topics including SBE/MBE resources, Pre-homeownership Counseling, and health and wellness.

The development will also include a Community Service facility. The rehab of the existing building will include a complete remodel of the interior, new building & roofing systems, and a roof-top gathering area with access from the newly constructed buildings second floor. Residents will also be able to reserve the community room space for events, such as resident council meetings, social activities, meditation classes, and workshops.

If selected, the development team will conduct community meetings with the Eau Claire Neighborhood Associations to gather resident feedback and incorporate this feedback into the final site and architectural design.

In order to create a critical mass of quality affordable housing units on the site, along with adequate off-street parking, the project proposes utilizing the entire building. Elements that break the scale of this development include residential features such as:

- Large windows, allowing for ample natural light
- Exterior restoration, to provide variation in the building façade
- Masonry updates at the base of the building, to provide visual and textural variation

Site design and property management best practices will be used to ensure resident safety and security. These include:

- Routine property maintenance, including snow removal, landscaping, preventative maintenance, and prompt repairs, as needed, to maintain a high-quality, aesthetically-pleasing building
- Landscaping choices and ample lighting that preserve adequate line of sight for safety
- Off-street parking for cars and bicycles
- Electronic key fob entry to ensure building security

The proposed building will include the following exterior materials:

- Accent masonry for visual interest, likely focused on higher visibility areas
- Glazing based on industry standard for affordable housing



Architectural features to enhance the building's visual appeal will include:

- A featured corner with common space and amenity space on the ground floor
- Large windows

The development team estimates a total development cost of approximately \$18.3 million.

The development will be certified under the WI Green Built Homes program with a score of at least 200 points, and therefore the project design and costs include a number of green and energy efficient features which will benefit the operation of the building long-term. The minimum standards that we expect to meet are as follows:

- Achieve a Wisconsin Green Built Home Certification of 200 points or more.
- Building Envelope at least 3 percent more efficient than required by Wisconsin State Building Code as required by Wisconsin Green Built Homes.
- Building ventilation system will be designed to 62.2.2-2010 or later (High rise projects 4 stories or greater) or 62.2.2-2010 or later. As an alternative, all bathrooms will have an installed Energy Star bath fan airflow >50 cfm and/or fan sized to ASHRAE 62.2. Stack ventilation units with multiple pickups will have >20 cfm continuous flow.
- All appliances as required by Wisconsin Green Built Homes qualified or each appliance performs in the top 50% of its Energy Guide rating.
- Erosion Control Plans will be provided by the Civil Engineer.
- General Contractor will be required to meet all Wisconsin Green Built Home requirements for Recycling.
- Plumbing fixtures and water closets will meet or exceed all Wisconsin Green Built Home requirements, including Water Sense and/or other applicable low-flow certifications.
- Minimum of 20% recycled content material – excluding mechanical equipment and electrical equipment.
- Minimum of 35% of wood products that are either salvaged wood, engineered materials, and/or Forest Stewardship Council certified wood products and materials.

The project will implement Stormwater Best Management Practices along with Bioinfiltration islands carefully located at the edges and islands of the surface parking. Bioinfiltration areas are vegetated features with a layer of permeable engineered soil over a layer of open-graded stone. Vegetation can include shrubs and trees. The engineered soil surface acts to filter the rainwater runoff, and vegetation can absorb some of the nutrients found in runoff. The open-graded stone provides drainage for the engineered soil as well as temporary storage for rainwater runoff.

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## Project Operations

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The operating pro forma reflects the following:

- A minimum debt coverage ratio (DCR) of 1.15 through year 15 before payment of cashflow-dependent debt. This indicates sufficient cash flow to cover hard debt payments, deferred developer fee payments, and LIHTC annual asset management fees, and still have cash on hand to cover unforeseen operating expenses. In the event of above-average operating expenses, payment on cashflow-dependent obligations (i.e., deferred developer fee and LIHTC asset management fee) may be reduced.
- Replacement reserves sized at \$500/unit/year, increasing at 3% annually. These reserves may be used to maintain the quality of the apartment building over the 30-year affordability period.
- Capitalized Operating Reserve to accommodate any operating deficits if necessary.

As presented, the development will rely on traditional lending for a \$3.7MM first mortgage. Grants and soft debt funds, such as AHP, the City of Eau Claire Affordable Housing Fund, and the City of Eau Claire HOME Fund Grant (among others), will provide critical gap financing to reduce the project's overall debt obligations. Our experienced team will pursue all available gap financing mechanisms to reduce our reliance on traditional debt. The development will include a 30-year affordability deed restriction.

TEAM Management will provide management and administration expertise to the Main Street Lofts development. Today, TEAM includes several dedicated real estate professionals. We are comprised of principals, on-site managers, maintenance personnel, compliance, financial, marketing, and clerical staff who work in concert towards our developments' success. Currently, TEAM manages many residential developments statewide with over 2,000 units under management. We learn the needs of neighborhoods and we carry our responsibilities and operate according to company values of honesty, respect, integrity and compassion.

As noted in the WHEDA self-scoring exhibit, this development would include a Community Service Facility. If selected, the development team will work with a local provider for programming in this space, which may include a job/skills training center.

The development team will partner with local providers (via Memoranda of Understanding) to ensure that residents have a robust selection of community services options available to them. This will focus on resident educational & job opportunities, provided by a range of community partners, and will include:

- Financial literacy courses, covering budgeting and saving for a home; improving credit; accessing benefits such as Social Security; avoiding scams; and saving for retirement.
- Health education, including classes on indoor gardening, nutrition, exercise, and mental health. Residents may use the on-site exercise room.
- Job readiness classes around healthy food preparation, covering how to search for and apply for jobs in the food & Urban farming industry; how to prepare a resume; and how to improve interview skills.



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## **Property Management**

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The project will be professionally managed by an experienced property management firm. TEAM Management will engage with its experienced property managers to perform tenant selection, lease-up, ongoing operations, and compliance reporting.

TEAM Management will provide a detailed property management plan, in coordination with the development team. Property management lawful and best practices will be followed, as described below.

Beginning at lease-up, the development and property management team will be fully committed to complying with the Fair Housing Act, and will market the project accordingly. Equal housing opportunities shall be afforded to all people at all times. All advertising and signage shall clearly indicate this community and management team is an Equal Housing Opportunity Fair Housing Provider.

The Managing Agent will place notices in newspapers, specialized publications, and newsletters to reach potential residents. Applications, notices, and all publications will include a Fair Housing and Equal Opportunity Logo, and the Accessibility Logo. The Managing Agent will contact local civic and community organizations representative of the cultural diversity of the area in order to disseminate information about the development.

Following tenant selection, the property management firm will comply with all compliance obligations mandated by WHEDA, lenders, the Federal Home Loan Bank system, and local grant partners. The development's property manager will be skilled in effectively delivering all required compliance reporting.

Onsite property management will be provided by the property management firm. The firm will coordinate closely with local stakeholders to provide needed management services. An onsite leasing office will be used for tenant selection, lease signing, and compliance reporting.

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## Financing

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The development team proposes to finance the project as follows:

Source	Amount
Low Income Housing Tax Credits	\$11,185,399
First Mortgage	\$3,700,000
City of Eau Claire HOME Fund	\$300,000
City of Eau Claire Affordable Housing Fund	\$300,000
FHLB – Affordable Housing Program	\$2,500,000
Deferred Developer Fee	\$343,880
<b>TDC</b>	<b>\$18,329,279</b>

Assumptions made for the amount of LIHTC funding include:

- Pricing of \$0.88, based on a comparable rehabilitation project in Eau Claire, Wisconsin.
- Total annual eligible credits of \$705,739, sized to maximize WHEDA points for financial leverage.

Other financing assumptions were made surrounding AHP funding and local grant sources.

- The proposed development was pre-scored under FHLBank New York and FHLBank Chicago criteria. It scored more competitively at FHLBank New York, therefore FHLBank New York was tentatively selected as the AHP provider. The development team has successfully received funding from FHLBank New York on past projects.

The Northernstar Companies team has a strong background in leveraging LIHTC equity and grant funding sources to successfully complete developments, gained from staff experience managing development projects at WHEDA and other agencies and development companies. A development team member was formerly employed by the Federal Home Loan Bank of Chicago, making them well-versed in how AHP applications are scored and reviewed for financial feasibility. This experience significantly increases our team's chances of successfully receiving AHP funds. Additionally, the development team has a strong record of receiving local grant funds for similar projects, including recent grant awards for developments in Madison and Milwaukee.

Northernstar Companies, LLC is a minority-owned real estate and asset management firm that focuses on affordable and market-rate housing and community development. Founded by two graduates of LISC Milwaukee's Associates in Commercial Real Estate (ACRE) program, the firm controls 70+ units in the Milwaukee area and is focused on community development across the Midwest. With a strong background leveraging LIHTC on challenging development projects, as well as experience engaging small businesses and MBE/WBE firms, Northernstar is well-positioned to obtain the financing proposed for this project.

If AHP and/or local grants are not secured for the proposed project, the development team will pursue additional gap funding, which we hope may include HOME American Rescue Plan (ARP) grant funds. We understand that further guidance on fund availability and eligible uses will be released by HUD.



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## MBE/WBE & Section 3 Participation Plan

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Main Street Lofts will comply with WHEDA's Emerging Business Enterprise (EBE) Program, which was created to encourage the involvement, utilization, and development of economically disadvantaged businesses. The development team will also ensure that EBE goals are implemented in the project if required. The team will ensure the necessary infrastructure, procedures, and tools needed to implement these programs are in place, as well as guidelines and training that are needed for the construction team to conduct outreach and contracting activities. EBE compliance is demonstrated by committing to the following numerical goals:

Employing EBE Residents as 25 percent of all new job site hours during a one-year period of the project.

Contracting:

- Awarding EBE Businesses contracts for construction or rehabilitation services; and
- Awarding EBE Businesses contracts for non-construction services.

Northernstar Companies utilizes three primary tools to facilitate awarding MBE/SBE Businesses at least 10 percent of the total value of construction-related contracts and 3 percent of all other MBE/SBE covered contracts:

1. EBE Language (Certification of Compliance);
2. EBE and Equal Opportunity Contracting Project Utilization Plan; and
3. Approved Plan Approach.

Internal and external resources are leveraged to ensure compliance with the Section 3 program as well as ensuring best efforts to meet WHEDA EBE goals. The strategy to offer training and employment opportunities is threefold:

1. Training and Recruiting
  - Collaborate with local agencies and resources to train and/or recruit EBE Residents and EBE businesses.
  - Partner with local job training organizations/career centers to train and/or recruit EBE Residents and EBE businesses.
2. Certifying EBE Residents.
3. Notifying qualified EBE Residents of employment and training opportunities with Altius Building Company its developers, contractors and subcontractors.

Implementation of and compliance with will be an agency-wide effort. Northernstar Companies LLC a minority-owned real estate and asset management firm that focuses on community development. Founded by two graduates of LISC Milwaukee's Associates in Commercial Real Estate (ACRE) program, the firm carries a strong background engaging small businesses and MBE/WBE firms, across the Midwest.

Northernstar Companies plans to engage MBE/WBE for 25% of the total contracted dollars. Northernstar Companies also plans to engage underutilized workers / local disadvantaged individuals.

Our plans to comply with MBE/ SBE Requirements include holding on-site job fairs and reaching out to individuals and businesses listed in the MBE/SBE directory. We will be connected to local job training

facilities throughout the project to help procure talent. We plan to take a proactive approach that includes recruitment, career readiness, and onsite check-ups to ensure participation goals are met.

Northernstar Companies has a relationship with many of the firms listed in the State's Supplier Diversity Program.

#### MBE/WBE Participation Plan

- Contractor solicitation: Utilize the Wisconsin Supplier Diversity Portal to search for contractors help in selected industries: Marketing, Construction, Professional Services, Goods and Services.
- On site monitoring utilizing Labor Compliance and Certified Payroll tracking software.
- Collaboration with DCD via monthly reporting.
- Community collaboration for accountability including quarterly meeting for updates.
- Monthly contract reporting to determine MBE/WBE spend.





## Company Leadership

**James Methu**



James Methu is a Senior Business Analyst with the City of Milwaukee's Office of Small Business Development. He is also an entrepreneur, children's book author, public servant, and father. James is a lifelong Milwaukee resident, responsible for the firm's community engagement and public relations.

His educational background includes a Bachelor of Business Administration, Securities Investment Licenses 6, 63, 7 and 24, as well as continuing professional studies in Compliance. He is a graduate of the Associates in Commercial Real Estate program (MSOE & Marquette University). As a young professional he has experience in financial services, community activism, urban development, Residents Preference Programs, Small Business Enterprises, public-private partnerships, and property management. He is a managing member of Methu Legacy Portfolio, and partner with real estate development firm Northernstar Companies LLC.



**Brandon Methu**



Brandon has an extensive background in multifamily and mixed-use real estate. Specializing in housing developments that utilize low-income housing tax credits, new market tax credits, and opportunity zone investment; Brandon provides underwriting and financial analysis to support all stages of the development process.

Prior to founding Northernstar Companies, Brandon was the lead analyst of a Milwaukee-based commercial real estate company where he led structuring and negotiation of acquisitions, RFP submissions, and pre-development activities.

Previously, Brandon managed the financial analysis, project planning, and preliminary due diligence of more than \$150 Million of world-class affordable real estate projects as the Project Coordinator of a regional housing developer and Investment Analyst with the Federal Home Loan Bank.

Brandon holds a BA in Economics from the University of Wisconsin-Milwaukee, an Associates in Commercial Real Estate from Milwaukee School of Engineering and is the chairman of Community First 501(c)(3) Milwaukee's largest volume provider for administering the Neighborhood Improvement Program (NIP), a housing rehabilitation loan program for low income homeowners that uses Federal Community Development Block Grant and HOME funds.



## Exhibit A

# 2021 Affordable Housing Fund Scoring Criteria

### EAU CLAIRE AFFORDABLE HOUSING FUND SCORING

#### 1. INCOME REQUIREMENT UP TO 97 POINTS

##### 1.a. Serves Lowest Income Residents Up to 65 Points

Points are awarded based on a percentage of units reserved for households with incomes at 50% or less of the Eau Claire County Median Income (CMI) as follows:

Total Units for Development	65			
CMI Set-Aside Percentage	Number of Units @ CMI	Percentage of Total (must meet or exceed 5%)	Multiplying Factor	Points
50% to 30%	27	41.5 %	x 0.86	35.69
Below 30%		%	x 1.29	
Total Points*				35.69

\*Points are rounded down.

Subsection Points Claimed: 35.69

##### 1.b. Mixed-Income Incentive Up to 12 Points

Percentage of market-rate units (rents must be at least 5% greater than the 60% CMI gross rent limit for comparable unit sizes). Score 0.80 points for every percentage point of market-rate units in the development as a whole, up to 12 points. Points are rounded down.

Description	Amount	Formula
Number of Market Rate Units	24	= A
Total Units	65	= B
Percentage of Market Rate Units	37 %	= A/B * 100%
0.80 Multiplier	x 0.80	x 0.80
Points	29.6	= A/B * 100% * 0.80

Subsection Points Claimed: 12

##### 1.c. Serves Large Families 5 Points

Eligible for 5 points if meets all 3 criteria below:

Yes  No

- Minimum of 3 bedrooms
- Minimum of 10% of units must be for families who are also 50% CMI or below or have committed project-based vouchers or other rental subsidies.
- Must also have ground floor private entrance.

Subsection Points Claimed: 0

**EAU CLAIRE AFFORDABLE HOUSING FUND SCORING**

**1.d. Supportive Housing**

**Up to 15 Points**

Provide any combination of 30% CMI Housing Tax Credit (HTC) units and rental subsidy assistance for the targeted units. If rental subsidies, applicant must submit firm commitments for the targeted number of units.

Provide a signed Appendix S Certification that the owner will cooperate with WI Department of Health Services (WIDHS) to find qualifying residents for the targeted units.

Score 0.75 points for every percentage point of targeted housing in the development as a whole, up to 15 points. Points are rounded down. Common space manager units should not be included in the total unit count.

Example: A 24-unit development with 4 units of either 30% HTC units or rental assistance would score 12.0 points. ( $4/24 = 16.67\% \times 0.75 = 12.5$ ).

Number of Supportive Units	Total Units	Percentage of Supportive Housing	Multiplier	Points
8	65	12.3	x 0.75	9.2

Subsection Points Claimed: 9.2

Section 1. Income Requirement Points Claimed: 9.22

*56.89*



**EAU CLAIRE AFFORDABLE HOUSING FUND SCORING**

**2. LOCATION**

**UP TO 47 POINTS**

**2.a. Amenities and Services**

**Up to 47 Points**

Up to a maximum of 47 points may be awarded for access to amenities and services located within 0.5 miles, unless otherwise stated.

Amenities	Meets Criteria	Points
Full service grocery store (provides fresh produce)	<input checked="" type="checkbox"/>	8
Full service Medical Clinic or Hospital*	<input checked="" type="checkbox"/>	4
In-unit internet at no cost to residents	<input checked="" type="checkbox"/>	8
Library**	<input type="checkbox"/>	4
On-site community room	<input checked="" type="checkbox"/>	4
Public Park	<input checked="" type="checkbox"/>	4
Public School	<input checked="" type="checkbox"/>	4
Public Transit stops (within 0.25 miles)	<input checked="" type="checkbox"/>	10
Senior Center	<input checked="" type="checkbox"/>	8
Walkability score of at least 70***	<input checked="" type="checkbox"/>	10
Walkability score of at least 50-69***	<input checked="" type="checkbox"/>	5

\*A specialty medical clinic (such as podiatrist or ophthalmologist), diagnostic lab, nursing home or hospice facility does not meet the definition of full-service medical clinic or hospital.

\*\*University libraries, public/private school libraries, state kiosk, express libraries or mini/mobile libraries are not eligible for points.

\*\*\*Walkability is calculated using Walk Score: <https://www.walkscore.com/cities-and-neighborhoods/>.

Subsection Points Claimed: 47

Services	Meets Criteria	Points
Community services facility*	<input checked="" type="checkbox"/>	8
Job-training facility, community college, or continuing education programs (must be available for tenant participation)**	<input checked="" type="checkbox"/>	4
Social Services***	<input checked="" type="checkbox"/>	8

\*Includes a job/skill training center or employment counseling center (or similar facilities) on site.

\*\*Job-Training Facility, Community College, or Continuing Education Programs - must be available to tenant base to participate.

\*\*\*Social Services means the total range of services to people including, but not limited to, health care, mental illness treatment, developmental disabilities services, income maintenance, probation, extended supervision and parole services, alcohol and drug abuse services, services to children, youth and aging, family counseling, special education services, and manpower services.

Subsection Points Claimed: 20

Section 2. Location Points Claimed: 47

57

**EAU CLAIRE AFFORDABLE HOUSING FUND SCORING**

**3. FINANCIAL LEVERAGE**

**Up To 36 Points**

Applicants will be awarded points by the requested amount of funds per affordable units provided.

Description	Amount	Formula
Requested Amount	300,000	= \$
Total Number of Affordable Units*	27	= N
Requested Amount Per Unit	11,111.11	= \$ / N

Request per Unit	Meets Criteria	Points
\$ 0 – \$ 12,999.99 / unit	<input checked="" type="checkbox"/>	36
\$ 13,000 - \$ 16,999.99 / unit	<input type="checkbox"/>	24
\$ 17,000 - \$ 20,999.99 / unit	<input type="checkbox"/>	12
\$21,000 or more / unit	<input type="checkbox"/>	0

\*Affordable unit(s) are those set aside for households with incomes at or below 50% CMI.

**Section 3. Financial Leverage Points Claimed:**

36
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## EAU CLAIRE AFFORDABLE HOUSING FUND SCORING

### 4. INCLUSIVE DESIGN

**Up to 47 POINTS**

Single, duplex, tri-plex unit projects are all eligible for BASIC feature points. If met, then the additional feature points can also be awarded.

In a multiple unit project, at least 25% of units MUST meet "Basic Feature" criteria for points and 50% or more of the units will award more points.

Type of Project	25% of Total Units		50% of Total Units	
	Meets Criteria	Points	Meets Criteria	Points
<b>New Construction</b>				
• Includes ALL 4 basic features	<input type="checkbox"/>	18	<input type="checkbox"/>	30
• Includes Basic Features #1, 2, 3, 4b & 4c	<input type="checkbox"/>	15	<input type="checkbox"/>	25
• Includes Basic Features #1, 2, 3, & 4c	<input type="checkbox"/>	11	<input type="checkbox"/>	19
<b>Acquisition/Rehab &amp;/or Adaptive Reuse Projects</b>				
• Includes ALL 4 Basic Features	<input checked="" type="checkbox"/>	18	<input checked="" type="checkbox"/>	30
• Includes Basic Features #1, 2, 3, 4b & 4c	<input type="checkbox"/>	15	<input type="checkbox"/>	25
• Includes Basic Features #1, 2, 3, & 4c	<input type="checkbox"/>	11	<input type="checkbox"/>	19
<b>*Acquisition/Rehab &amp;/or Adaptive Reuse where Zero Entry is NOT achievable (must be verified)</b>				
• Includes Basic Features #2, 3, 4a, 4b & 4c	<input type="checkbox"/>	15	<input type="checkbox"/>	25
• Includes Basic Features #2, 3, & 4c	<input type="checkbox"/>	11	<input type="checkbox"/>	19

\*The purpose of this subcategory is to include rehab of existing properties where Zero Entry is NOT achievable but the Basic Access features will make housing accessible to those who are able to manage a few steps to get in and out of their home but need additional features to safely live in it. A railing is required and a ramp also may or may not be possible here.

Subsection Points Claimed: 47

#### Basic Features Definitions:

1. One Zero-Step entry with low profile threshold
2. A bedroom, living area (with kitchen) & bathroom all on one accessible floor
3. All interior and exterior doors 36" wide
4. Bathroom features:
  - a. Shower (30" X 60") & can have a 2" curb
  - b. Minimum 48" X 30" clear floor space in front of sink toilet and shower. \*Note: Vanity along rear wall next to toilet can overlap the 48" clearing provided that clearance at the toilet is 33" minimum.
  - c. Blocking inside wall around shower and toilet for possible install of grab bars (rim the 3 shower walls, place blocking in the side and back walls by toilet). \*Note: Can purchase shower units with wood backing already installed in the unit.



## EAU CLAIRE AFFORDABLE HOUSING FUND SCORING

If 18, 15 or 11 points are awarded for including "Basic" Inclusive Design Features, up to 17 Bonus Points will be awarded for additional features as follows:

Additional Feature Bonus	Meets Criteria	Points
Lever door handles	<input checked="" type="checkbox"/>	1
Rocker switches	<input checked="" type="checkbox"/>	1
Single lever bath and kitchen faucets	<input checked="" type="checkbox"/>	1
Permanent non-skid surface in shower	<input checked="" type="checkbox"/>	2
*Closet doors have clear 30" X 48" floor space and doors more than 18" deep have 32" clear opening	<input checked="" type="checkbox"/>	2
*One window in a living and sleeping space complies with Section 309	<input checked="" type="checkbox"/>	2
*Mirror height	<input checked="" type="checkbox"/>	2
Flooring transition ¼" maximum vertical and less than ½" beveled; carpet pile maximum ½"	<input checked="" type="checkbox"/>	3
Entrance door: ADA threshold, delayed action closer & maneuverable clearances	<input checked="" type="checkbox"/>	3
Electrical outlets & cable/data outputs minimum 18" height from floor	<input checked="" type="checkbox"/>	3
In-unit laundry	<input checked="" type="checkbox"/>	3
Accessible route from parking or street level to units	<input checked="" type="checkbox"/>	3
*5-foot turn-around in bathroom	<input checked="" type="checkbox"/>	3
Roll-in shower (no curb). Need enough floor space for water management	<input checked="" type="checkbox"/>	3
*Garbage disposal switch, range hood controls and electrical receptacles in kitchen meet Sect. 309. Note: Can purchase air switch for garbage disposal inexpensively; can purchase range hood with app (i.e., Zephyr) but expensive or electrician installs a remote switch.	<input checked="" type="checkbox"/>	3
*One accessible work surface in kitchen Sect. 1103.12.3 (counter top is 34" from floor	<input checked="" type="checkbox"/>	3

\*Features needed for a wheelchair user who does not stand.

Additional features bonus, unless otherwise stated, must meet the current building code for the State of Wisconsin is the 2015 ICC (International Code Council) Code and the referenced standard for accessibility is ICC/ANSI A117.1-2017. References to section numbers within Universal Design are sections numbers from ICC/ANSI A117.1-2017.

Subsection Points Claimed: 38 Type text here

Section 4. Inclusive Design Points Claimed: 47

85



## EAU CLAIRE AFFORDABLE HOUSING FUND SCORING

### 5. REHAB/NEIGHBORHOOD STABILIZATION

25 POINTS

Points will be awarded to applications which propose acquisition and rehab of existing single family, duplex, three-plex or four-plex housing as part of a targeted, city-supported plan to stabilize neighborhoods due to vacant properties and/or foreclosure.

#### Requirements:

- City support letter including: 1) description of overall neighborhood plan, 2) details of financial support and 3) support for proposed property clustering.
- Minimum of 2 units.
- Minimum \$25,000 per unit of hard cost rehab. Hard cost rehab, is defined as the Subtotal: New construction/Rehabilitation on the Project Cost and Credit Calculation page, less Construction of New Buildings.
- New Construction allowed only if building(s) will be demolished or have been demolished and is replacing like housing (no additional units). Such new construction is limited to 50% of total units. New construction must meet "basic features" standards found in 4. Inclusive Design.
- An application's aggregate occupied units shall be automatically assumed by the City of Eau Claire to have a maximum 85% applicable fraction (i.e., assumed to have 15% over-income households) unless the applicant provides rent rolls, certifications, or other information sufficient for the City of Eau Claire to determine that a higher applicable fraction will not result in the displacement of current residents. Aggregate un-occupied units may be assumed to be 100% income qualifying.
- Applications must demonstrate a year one proforma rent increase of no more than five percent (5%) for any occupied rental units. Provide current rent schedule and explanation.
- Must show property clustering no greater than one-half (1/2) mile radius. Proposed clustering must be supported by city letter.
- Must show financial support minimum 5% of total development cost by the local government and/or private institutions or foundations.
- Unit mix may include single family homes, duplexes, tri-plexes or four-plexes but not less than 50% of the total units must be single family homes.
- Application operating expenses must reflect annual replacement reserve deposit of \$400/unit minimum.

Section 5. Rehab/Neighborhood Stabilization Points Claimed:

0

## EAU CLAIRE AFFORDABLE HOUSING FUND SCORING

### 6. ENERGY EFFICIENCY AND SUSTAINABILITY

**20 POINTS TOTAL**

Points awarded to developments which promote long term energy efficiency and sustainability through thoughtful design. A maximum of 20 points will be awarded if the project meets one of the below standards as follows:

Description	Points
City of Eau Claire Renewable Energy Action Plan*	20
Wisconsin Green Built Home Standard (score of 200 or more)	20
Enterprise Green Communities Certification Plus	20

\*Modify the project using the City of Eau Claire Green House Gas Calculator to achieve a 30% reduction in Green House Gas emissions from baseline development.

Section 6. Energy Efficiency and Sustainability Points Claimed:

20



**EAU CLAIRE AFFORDABLE HOUSING FUND SCORING**

**7. DEVELOPMENT TEAM**

**Up to 12 Points**

Description	Meets Criteria	Points
<b>Housing Tax Credit (HTC) Experience</b>		
Successful completion of two or more HTC properties	<input type="checkbox"/>	3
Two or more years of HTC experience	<input checked="" type="checkbox"/>	3
<b>Minority Developers*</b>		
Applications that include a minority developer or minority co-developer that have at least 49% stake in all aspects of the development including but not limited to ownership, cash-flow, and voting rights.	<input checked="" type="checkbox"/>	3
Applications that include a minority developer or minority co-developer that have at least 24% stake in all aspects of the development including but not limited to ownership, cash-flow, and voting rights.	<input type="checkbox"/>	2
<b>Local Applicants**</b>		
Applicants that include a local co-developer that have at least 49% stake in all aspects of the development including but not limited to ownership, cash-flow, and voting rights.	<input type="checkbox"/>	6
Applicants that include a local co-developer that have at least 24% stake in all aspects of the development including but not limited to ownership, cash-flow, and voting rights.	<input type="checkbox"/>	4
<b>Development Team Members</b>		
A Non-profit organization acting as developer and an owner (meets non-profit set-aside).	<input type="checkbox"/>	2
Application which includes an organization acting as lead developer and an owner, that has participated in fewer than 4 HTC properties as a lead developer or owner.	<input checked="" type="checkbox"/>	2

\*Applicants must meet eligibility criteria found in the Wisconsin Housing and Economic Development Authority (WHEDA) Minority Business Self Certification 2021 Housing Tax Credit Cycle:  
<https://www.wheda.com/globalassets/documents/tax-credits/htc/2021/wheda-minority-business-self-certification-form.pdf>

\*\*Applicants with an established office within Chippewa County, Dunn County, or Eau Claire County.

**Section 7. Development Team Points Claimed:**

8

11

## EAU CLAIRE AFFORDABLE HOUSING FUND SCORING

### 8. TOTAL POINTS

Up to 284 Points

Please add the total points claimed per section and total.

Description	Points
Section 1. Income Requirement	47.69
Section 2. Location	47
Section 3. Financial Leverage	36
Section 4. Inclusive Design	47
Section 5. Rehab/Neighborhood Stabilization	0
Section 6. Energy Efficiency and Sustainability	20
Section 7. Development Team	8
<b>Total Points:</b>	<b>205.69</b>





## Qualifications and Experience of Developer

*Detail and describe the proposed development team and demonstrate a track record of successfully financing, developing, completing and managing comparable projects, locally and/or nationally, including:* Market and Johnson have been in business since 1948 and have been the foundation for many different structural builds in the local and surrounding areas. They have completed builds for the various long term care facilities, senior apartments and hospitals.

*Clearly identify roles and responsibilities of all proposed development team members.* The roles and responsibilities of Market and Johnson will be to remove and replace all the windows outlined on the proposal attached.

*Cite developer's experience successfully developing other projects of similar scale and complexity, locally and nationally, including the roles and responsibilities of developer's team members, and provide contact information for references for these projects.* Some of the recent projects they have completed are as follows: Colfax Nursing home located in Colfax, WI; Parkview Homes located in Baldwin, WI, and Augusta Nursing Home located in Augusta, WI. All of these properties listed were brand new builds. Below you will find the buildings listed information, including the contact information for each property:

- A) Colfax Nursing Home  
110 Park Drive  
Colfax, WI 54730  
Phone: 715-962-3186  
Contact: Kenzie Galetka –Administrator
  
- B) Parkview Twin Homes (Parkplace)- Senior Apartments  
220 N Lockwood St  
Woodville, WI 54028  
Phone: 715-698-3210  
Contact: Eric Walth
  
- C) Augusta Nursing Home  
901 Bridge Creek Lane  
Augusta, WI 54722  
Phone: 715-286-2266  
Contact: John Bradley

Cite developer's experience in successfully constructing, managing and maintaining affordable housing facilities: Market & Johnson is one of Wisconsin's largest construction firms with annual volume of over \$250M. We have completed dozens of housing projects ranging from senior living to skilled nursing and student housing. Our housing projects have ranged in size



from \$2M to \$40M complexes. In addition we have an entire division of our firm that is dedicated to smaller remodeling projects such as window replacements.

Provide clear and compelling information to demonstrate developer's financial capacity to execute and complete the proposed development successfully. Our firm is fully insured and bonded up to \$100M per project. We are willing to provide audited financials if requested and have been in business since 1948.

Describe a clear strategy to fund all proposed development costs. Grace Barstow Apartments located at 1105 S. Barstow Street, Eau Claire was built in 1977. The building has the original windows which are in need of replacement. The total cost of project is \$368,000 (see attached from Market and Johnson) and Grace Lutheran Communities is submitting this application to offset the cost of replacement. This will allow for continued operations offering housing for low-income seniors and disabled in the city of Eau Claire. Within the last 5 years this building has been home to 32 homeless individuals.

For over 60 years, Grace Lutheran Communities has been offering services to the low-income population in the city of Eau Claire. We continue to strive to support the needs of our local community. We plan for capital items across all of our facilities to continue to maintain the ability to offer these services. Continuing to focus on becoming a more green company Grace has installed more efficient toilet and showerheads at our expense. We do have funding available to provide a way to fund the replacement windows over time however with the city of Eau Claire funding it would allow us to replace all windows this year. The replacement windows will decrease the energy needs and also allow for much more comfortable housing for the residents at the Barstow location including less draft, easily open/close for fresh air, and will add to the curb appeal for the downtown location.

If partial funding would be available from this initiative, it would allow Grace Lutheran Communities to expedite the planned timeframe for replacement.

Provide documentation from potential lenders of interest in the proposed development.

There is not a need at this time to have lenders involved in this project initiative. As mentioned above, this capital expenditure will be absorbed over time in the Grace Lutheran Communities planned budget over time.

Cite other projects in which the developer has successfully worked with the proposed equity/financing/granting entities.

Grace Lutheran Foundation has worked with Market and Johnson for similar projects in the region.

Provide evidence of financing for prior developments. Bremer bank has financed a number of projects for Grace Lutheran Communities over the past years. The most recent significant project involved building a multi-million dollar 98 bed Skilled Nursing Facility in Altoona in 2015, comprised of River Pines and Prairie Pointe Skilled Nursing Facilities.



**1. INCOME REQUIREMENT UP TO 97 POINTS**

**1.a. Serves Lowest Income Residents Up to 65 Points**

Points are awarded based on a percentage of units reserved for households with incomes at 50% or less of the Eau Claire County Median Income (CMI) as follows:

Total Units for Development	79			
CMI Set-Aside Percentage	Number of Units @ CMI	Percentage of Total (must meet or exceed 5%)	Multiplying Factor	Points
50% to 30%	17	%	x 0.86	18
Below 30%	56	%	x 1.29	91
Total Points*				109

\*Points are rounded down.

Subsection Points Claimed:

**1.b. Mixed-Income Incentive Up to 12 Points**

Percentage of market-rate units (rents must be at least 5% greater than the 60% CMI gross rent limit for comparable unit sizes). Score 0.80 points for every percentage point of market-rate units in the development as a whole, up to 12 points. Points are rounded down.

Description	Amount	Forumla
Number of Market Rate Units	0	= A
Total Units	79	= B
Percentage of Market Rate Units	%	= A/B * 100%
0.80 Multitpler	x 0.80	x 0.80
Points	0	= A/B * 100% * 0.80

Subsection Points Claimed:

**1.c. Serves Large Families 5 Points**

Eligible for 5 points if meets all 3 criteria below:

Yes  No

- Minimum of 3 bedrooms
- Minimum of 10% of units must be for families who are also 50% CMI or below or have committed project-based vouchers or other rental subsidies.
- Must also have ground floor private entrance.

Subsection Points Claimed:

**1.d. Supportive Housing** **Up to 15 Points**

Provide any combination of 30% CMI Housing Tax Credit (HTC) units and rental subsidy assistance for the targeted units. If rental subsidies, applicant must submit firm commitments for the targeted number of units.

Provide a signed Appendix S Certification that the owner will cooperate with WI Department of Health Services (WIDHS) to find qualifying residents for the targeted units.

Score 0.75 points for every percentage point of targeted housing in the development as a whole, up to 15 points. Points are rounded down. Common space manager units should not be included in the total unit count.

Example: A 24-unit development with 4 units of either 30% HTC units or rental assistance would score 12.0 points.  $(4/24 = 16.67\% \times 0.75 = 12.5)$ .

Number of Supportive Units	Total Units	Percentage of Supportive Housing	Multiplier	Points
79	79	100	x 0.75	75

Subsection Points Claimed:

**Section 1. Income Requirement Points Claimed:**



**2. LOCATION UP TO 47 POINTS**

**2.a. Amenities and Services Up to 47 Points**

Up to a **maximum of 47 points** may be awarded for access to amenities and services located within **0.5 miles**, unless otherwise stated.

Amenities	Meets Criteria	Points
Full service grocery store (provides fresh produce)	<input checked="" type="checkbox"/>	8
Full service Medical Clinic or Hospital*	<input type="checkbox"/>	4
In-unit internet at no cost to residents	<input type="checkbox"/>	8
Library**	<input type="checkbox"/>	4
On-site community room	<input checked="" type="checkbox"/>	4
Public Park	<input checked="" type="checkbox"/>	4
Public School	<input type="checkbox"/>	4
Public Transit stops (within 0.25 miles)	<input checked="" type="checkbox"/>	10
Senior Center	<input type="checkbox"/>	8
Walkability score of at least 70***	<input type="checkbox"/>	10
Walkability score of at least 50-69***	<input checked="" type="checkbox"/>	5

\*A specialty medical clinic (such as podiatrist or ophthalmologist), diagnostic lab, nursing home or hospice facility does not meet the definition of full-service medical clinic or hospital.

\*\*University libraries, public/private school libraries, state kiosk, express libraries or mini/mobile libraries are not eligible for points.

\*\*\*Walkability is calculated using Walk Score: <https://www.walkscore.com/cities-and-neighborhoods/>.

Subsection Points Claimed: **31**

Services	Meets Criteria	Points
Community services facility*	<input type="checkbox"/>	8
Job-training facility, community college, or continuing education programs (must be available for tenant participation)**	<input type="checkbox"/>	4
Social Services***	<input type="checkbox"/>	8

\*Includes a job/skill training center or employment counseling center (or similar facilities) on site.

\*\*Job-Training Facility, Community College, or Continuing Education Programs - must be available to tenant base to participate.

\*\*\*Social Services means the total range of services to people including, but not limited to, health care, mental illness treatment, developmental disabilities services, income maintenance, probation, extended supervision and parole services, alcohol and drug abuse services, services to children, youth and aging, family counseling, special education services, and manpower services.

Subsection Points Claimed: **0**

Section 2. Location Points Claimed: **31**

**3. FINANCIAL LEVERAGE**

**Up To 36 Points**

Applicants will be awarded points by the requested amount of funds per affordable units provided.

Description	Amount	Formula
Requested Amount	\$300000	= \$
Total Number of Affordable Units*	79	= N
Requested Amount Per Unit	\$3797	= \$ / N

Request per Unit	Meets Criteria	Points
\$ 0 – \$ 12,999.99 / unit	<input checked="" type="checkbox"/>	36
\$ 13,000 - \$ 16,999.99 / unit	<input type="checkbox"/>	24
\$ 17,000 - \$ 20,999.99 / unit	<input type="checkbox"/>	12
\$21,000 or more / unit	<input type="checkbox"/>	0

\*Affordable unit(s) are those set aside for households with incomes at or below 50% CMI.

Section 3. Financial Leverage Points Claimed:

36



**4. INCLUSIVE DESIGN**

**Up to 47 POINTS**

Single, duplex, tri-plex unit projects are all eligible for BASIC feature points. If met, then the additional feature points can also be awarded.

In a multiple unit project, at least 25% of units MUST meet "Basic Feature" criteria for points and 50% or more of the units will award more points.

Type of Project	25% of Total Units		50% of Total Units	
	Meets Criteria	Points	Meets Criteria	Points
<b>New Construction</b>				
• Includes ALL 4 basic features	<input type="checkbox"/>	18	<input type="checkbox"/>	30
• Includes Basic Features #1, 2, 3, 4b & 4c	<input type="checkbox"/>	15	<input type="checkbox"/>	25
• Includes Basic Features #1, 2, 3, & 4c	<input type="checkbox"/>	11	<input type="checkbox"/>	19
<b>Acquisition/Rehab &amp;/or Adaptive Reuse Projects</b>				
• Includes ALL 4 Basic Features	<input type="checkbox"/>	18	<input checked="" type="checkbox"/>	30
• Includes Basic Features #1, 2, 3, 4b & 4c	<input type="checkbox"/>	15	<input type="checkbox"/>	25
• Includes Basic Features #1, 2, 3, & 4c	<input type="checkbox"/>	11	<input type="checkbox"/>	19
<b>*Acquisition/Rehab &amp;/or Adaptive Reuse where Zero Entry is NOT achievable (must be verified)</b>				
• Includes Basic Features #2, 3, 4a, 4b & 4c	<input type="checkbox"/>	15	<input type="checkbox"/>	25
• Includes Basic Features #2, 3, & 4c	<input type="checkbox"/>	11	<input type="checkbox"/>	19

\*The purpose of this subcategory is to include rehab of existing properties where Zero Entry is NOT achievable but the Basic Access features will make housing accessible to those who are able to manage a few steps to get in and out of their home but need additional features to safely live in it. A railing is required and a ramp also may or may not be possible here.

Subsection Points Claimed: 30

**Basic Features Definitions:**

1. One Zero-Step entry with low profile threshold
2. A bedroom, living area (with kitchen) & bathroom all on one accessible floor
3. All interior and exterior doors 36" wide
4. Bathroom features:
  - a. Shower (30" X 60") & can have a 2" curb
  - b. Minimum 48" X 30" clear floor space in front of sink toilet and shower. \*Note: Vanity along rear wall next to toilet can overlap the 48" clearing provided that clearance at the toilet is 33" minimum.
  - c. Blocking inside wall around shower and toilet for possible install of grab bars (rim the 3 shower walls, place blocking in the side and back walls by toilet). \*Note: Can purchase shower units with wood backing already installed in the unit.

**EAU CLAIRE AFFORDABLE HOUSING FUND SCORING**

**DRAFT**

If 18, 15 or 11 points are awarded for including "Basic" Inclusive Design Features, up to 17 Bonus Points will be awarded for additional features as follows:

<b>Additional Feature Bonus</b>	<b>Meets Criteria</b>	<b>Points</b>
Lever door handles	<input checked="" type="checkbox"/>	1
Rocker switches	<input type="checkbox"/>	1
Single lever bath and kitchen faucets	<input checked="" type="checkbox"/>	1
Permanent non-skid surface in shower	<input checked="" type="checkbox"/>	2
*Closet doors have clear 30" X 48" floor space and doors more than 18" deep have 32" clear opening	<input type="checkbox"/>	2
*One window in a living and sleeping space complies with Section 309	<input type="checkbox"/>	2
*Mirror height	<input type="checkbox"/>	2
Flooring transition ¼" maximum vertical and less than ½" beveled; carpet pile maximum ½"	<input checked="" type="checkbox"/>	3
Entrance door: ADA threshold, delayed action closer & maneuverable clearances	<input checked="" type="checkbox"/>	3
Electrical outlets & cable/data outputs minimum 18" height from floor	<input checked="" type="checkbox"/>	3
In-unit laundry	<input type="checkbox"/>	3
Accessible route from parking or street level to units	<input checked="" type="checkbox"/>	3
*5-foot turn-around in bathroom	<input type="checkbox"/>	3
Roll-in shower (no curb). Need enough floor space for water management	<input type="checkbox"/>	3
*Garbage disposal switch, range hood controls and electrical receptacles in kitchen meet Sect. 309. Note: Can purchase air switch for garbage disposal inexpensively; can purchase range hood with app (i.e., Zephyr) but expensive or electrician installs a remote switch.	<input type="checkbox"/>	3
*One accessible work surface in kitchen Sect. 1103.12.3 (counter top is 34" from floor	<input type="checkbox"/>	3

\*Features needed for a wheelchair user who does not stand.

Additional features bonus, unless otherwise stated, must meet the current building code for the State of Wisconsin is the 2015 ICC (International Code Council) Code and the referenced standard for accessibility is ICC/ANSI A117.1-2017. References to section numbers within Universal Design are sections numbers from ICC/ANSI A117.1-2017.

Subsection Points Claimed: 16

**Section 4. Inclusive Design Points Claimed:** 46



**5. REHAB/NEIGHBORHOOD STABILIZATION****25 POINTS**

Points will be awarded to applications which propose acquisition and rehab of existing single family, duplex, three-plex or four-plex housing as part of a targeted, city-supported plan to stabilize neighborhoods due to vacant properties and/or foreclosure.

**Requirements:**

- City support letter including: 1) description of overall neighborhood plan, 2) details of financial support and 3) support for proposed property clustering.
- Minimum of 2 units.
- Minimum \$25,000 per unit of hard cost rehab. Hard cost rehab, is defined as the Subtotal: New construction/Rehabilitation on the Project Cost and Credit Calculation page, less Construction of New Buildings.
- New Construction allowed only if building(s) will be demolished or have been demolished and is replacing like housing (no additional units). Such new construction is limited to 50% of total units. New construction must meet "basic features" standards found in 4. Inclusive Design.
- An application's aggregate occupied units shall be automatically assumed by the City of Eau Claire to have a maximum 85% applicable fraction (i.e., assumed to have 15% over-income households) unless the applicant provides rent rolls, certifications, or other information sufficient for the City of Eau Claire to determine that a higher applicable fraction will not result in the displacement of current residents. Aggregate un-occupied units may be assumed to be 100% income qualifying.
- Applications must demonstrate a year one proforma rent increase of no more than five percent (5%) for any occupied rental units. Provide current rent schedule and explanation.
- Must show property clustering no greater than one-half (1/2) mile radius. Proposed clustering must be supported by city letter.
- Must show financial support minimum 5% of total development cost by the local government and/or private institutions or foundations.
- Unit mix may include single family homes, duplexes, tri-plexes or four-plexes but not less than 50% of the total units must be single family homes.
- Application operating expenses must reflect annual replacement reserve deposit of \$400/unit minimum.

**Section 5. Rehab/Neighborhood Stabilization Points Claimed:**

0

**6. ENERGY EFFICIENCY AND SUSTAINABILITY 20 POINTS TOTAL**

Points awarded to developments which promote long term energy efficiency and sustainability through thoughtful design. **A maximum of 20 points** will be awarded if the project meets one of the below standards as follows:

Description	Points
City of Eau Claire Renewable Energy Action Plan*	20
Wisconsin Green Built Home Standard (score of 200 or more)	20
Enterprise Green Communities Certification Plus	20

\*Modify the project using the City of Eau Claire Green House Gas Calculator to achieve a 30% reduction in Green House Gas emissions from baseline development.

**Section 6. Energy Efficiency and Sustainability Points Claimed:**



**7. DEVELOPMENT TEAM**

**Up to 12 Points**

Description	Meets Criteria	Points
<b>Housing Tax Credit (HTC) Experience</b>		
Successful completion of two or more HTC properties	<input type="checkbox"/>	3
Two or more years of HTC experience	<input type="checkbox"/>	3
<b>Minority Developers*</b>		
Applications that include a minority developer or minority co-developer that have at least 49% stake in all aspects of the development including but not limited to ownership, cash-flow, and voting rights.	<input type="checkbox"/>	3
Applications that include a minority developer or minority co-developer that have at least 24% stake in all aspects of the development including but not limited to ownership, cash-flow, and voting rights.	<input type="checkbox"/>	2
<b>Local Applicants**</b>		
Applicants that include a local co-developer that have at least 49% stake in all aspects of the development including but not limited to ownership, cash-flow, and voting rights.	<input type="checkbox"/>	6
Applicants that include a local co-developer that have at least 24% stake in all aspects of the development including but not limited to ownership, cash-flow, and voting rights.	<input type="checkbox"/>	4
<b>Development Team Members</b>		
A Non-profit organization acting as developer and an owner (meets non-profit set-aside).	<input type="checkbox"/>	2
Application which includes an organization acting as lead developer and an owner, that has participated in fewer than 4 HTC properties as a lead developer or owner.	<input type="checkbox"/>	2

\*Applicants must meet eligibility criteria found in the Wisconsin Housing and Economic Development Authority (WHEDA) Minority Business Self Certification 2021 Housing Tax Credit Cycle: <https://www.wheda.com/globalassets/documents/tax-credits/htc/2021/wheda-minority-business-self-certification-form.pdf>

\*\*Applicants with an established office within Chippewa County, Dunn County, or Eau Claire County.

**Section 7. Development Team Points Claimed:** 0

**8. TOTAL POINTS****Up to 284 Points**

Please add the total points claimed per section and total.

Description	Points
Section 1. Income Requirement	80
Section 2. Location	31
Section 3. Financial Leverage	36
Section 4. Inclusive Design	30
Section 5. Rehab/Neighborhood Stabilization	0
Section 6. Energy Efficiency and Sustainability	0
Section 7. Development Team	0
<b>Total Points:</b>	<b>177</b>