

PROJECT DESCRIPTION

Three side-by-side rental duplexes that will be targeted toward single-parent households and families that will move from UMCS's transitional living facility on Lisbon Avenue. The houses, designed by Engberg Anderson Design Partnership, have the same basic floor plan, but have style variations to distinguish each unit. The house design also complements the Washington Park neighborhood. Each unit will have three bedrooms, one bath and, a detached garage and are expected to rent for \$550 to \$650. Total construction costs are estimated to be approximately \$988,000. A contractor has not been selected, but UMCS is committed to EBE participation.

The housing will complement the planned expansion of UMCS's building on Lisbon, which will include expanded office and meeting space as well as community rooms to serve the development and the neighborhood. Estimated expansion costs are about \$4.7 million.



The project will be financed in part through federal housing tax credits from the Wisconsin Housing and Economic Development Administration (WHEDA). Tax credit applications are due to WHEDA in February 2007 and the redeveloper needs to demonstrate site control for its application. Tax credit reservations will be awarded in April. Additional funding will be provided through conventional financing.

OPTION TERMS AND CONDITIONS

The purchase price will be \$20,000 or \$5,000 per City lot and conveyance will be on an "as is" basis. A financial feasibility credit may be granted by the Commissioner at closing based on demonstrated hardship. A \$250 Option Fee will be required and will be credited toward the purchase price. A \$1,000 performance deposit will be submitted at closing and shall be held until satisfactory completion of the project. Sale proceeds, less sale expenses and a 25% fee to the Redevelopment Authority, will be deposited in the Tax Deficit Fund.

The total option period is for two years so as to allow multiple applications for WHEDA tax credit in the event the project does not receive a 2007 allocation. The base option is until February 15, 2007, to allow the Redeveloper time to submit an application to WHEDA for the federal housing tax credits. When the Buyer submits the application, the option will be automatically extended four months, or until WHEDA makes its initial allocation of tax credits. Upon award of the tax credit allocation, the option is automatically extended until December 31, 2007. If the Buyer requires additional time beyond December 31st to obtain financing or final plans, the Commissioner of DCD may extend the option for a six-month period upon submission of a \$500 non-refundable renewal fee and satisfactory progress report on the project. If the project does not receive a 2007 allocation, the Commissioner may renew the base option until 2008 to allow a second WHEDA application. If the Buyer fails to make any required submissions to WHEDA, the option may be cancelled immediately by the Commissioner.