

## Housing Authority high-rise to compete with upscale towers -- while welcoming lower-income renters

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The Convent Hill South high-rise would feature an L-shaped, 27-story apartment tower atop a five-story podium that includes a parking structure and office. Korb + Associates

The tower being developed by the Housing Authority would compete with other upscale downtown high-rises while also providing affordable apartments. Milwaukee Journal Sentinel

Downtown Milwaukee's newest proposed apartment high-rise would mix people paying what could be among the city's highest rents with other residents whose income is perhaps half that of their neighbors.

Known tentatively as <u>Convent Hill South</u>, the 32-story building, developed by the city Housing Authority, would bring an unusual mission: compete with other upscale downtown high-rises while also providing a large number of affordable apartments.

The \$150 million development also would generate cash for the Housing Authority to maintain other apartment buildings throughout Milwaukee where some of the city's poorest residents live.

It's a tall order, and amounts to a big change for the Housing Authority.

But other cities throughout the nation have taken this approach, and Convent Hill South could be the first in a series of similar developments in Milwaukee.

Housing Authority officials do not yet have details on planned rents and income limits at Convent Hill South.

The conceptual proposal has received preliminary approval from the authority's board. A more detailed proposal will undergo Plan Commission and Common Council review this summer.

The authority will then get construction cost estimates while creating a financing package. That could include a loan from either Fannie Mae or Freddie Mac — private companies chartered by Congress to finance affordable housing.

"We want to make sure it cash flows, and that it's sustainable," said Bobbi Marsells, authority assistant secretary.

Construction could start next spring, although a more realistic timetable would be spring of 2021. It would take about two years to complete.

Convent Hill South would have up to 350 apartments, as well as 43,000 square feet of office space. Its conceptual plans call for a swimming pool, fitness center and other features often found in upscale high-rises.

It would be built just south of the 10-story Convent Hill, a Housing Authority apartment building for low-income seniors at 455 E. Ogden Ave.

How the apartments would break down between market-rate rents and those offered at affordable rates to lower-income people cannot be determined until the Housing Authority obtains detailed construction cost estimates, Marsells said.

But other cities offer some clues.

The Chicago Housing Authority for years has worked with development firms to create buildings that mix market-rate and affordable apartments.

That includes new buildings at the former <u>Cabrini-Green</u> public housing complex on the city's near north side — where the last tower was demolished in 2011.

One of the latest proposals calls for a 21-story tower and midrise buildings, totaling 482 units, at Clybourn Avenue and Larrabee Street, east of Goose Island.

Around 45% of the apartments, 217 units, would have market-rate rents, according to the authority.

Another 82 units, or 17%, would have affordable rents for people earning up to 80% of the area's median income.

The remaining 183 units, 38% of the mix, would be for people on public housing waiting lists. Those renters can earn up to 60% of the area's median income, said Molly Sullivan, an authority spokeswoman.

Another example is The Lindley, an 11-story apartment building completed last year in Chevy Chase, Maryland, near Washington, D.C.

Co-developed by the Housing Opportunities Commission of Montgomery County, it has 200 luxury units — including 40 affordable apartments each for people earning up to 50%, and 60%, of the area's median income.

Those 80 affordable units make up 40% of The Lindley's apartments.

Milwaukee's Housing Authority has some developments that mix market-rate and affordable apartments.



The Townhomes at Carver Park, with a mix of market-rate and affordable apartments, are operated by the Milwaukee Housing Authority north of downtown. (Photo: Tom Daykin / Milwaukee Journal Sentinel)

The Townhomes at Carver Park, which in 2002 replaced a demolished portion of the authority's Lapham Park complex, has 20 market rate units, 51 affordable units and 51 units for public housing residents.

A three-bedroom affordable unit at Carver Park, 1901 N. Sixth St., rents for \$750 a month, and for \$820 a month at market rate.

Also, the authority's ongoing replacement of the former Westlawn project with <u>Westlawn Gardens</u>, south of West Silver Spring Drive, between North 60th and North 68th streets, will eventually create several buildings totaling 958 new housing units — including 191 market rate units.

But only a small number of those market-rate units have been built. They will likely be developed in phases, depending on market demand, Marsells said.

Convent Hill South will have all of its units, both market-rate and affordable, within the same building. And it will operate on a larger scale.

Its strong location, on downtown's northern edge, is a big part of what's driving that development plan.

The project site was created after the authority's sprawling Convent Hill project was demolished, and replaced in 2008 with the more compact 10-story building.

Since then, the Housing Authority has turned down offers to sell the site, which includes a parking lot, to development firms.

"That's a unique piece of land that brings great value to the city," said Paul Williams, the authority's Choice Neighborhood Initiative coordinator.

Because of its location, authority officials don't expect Convent Hill South to have any trouble attracting market-rate renters — particularly younger people.

"I see a lot of demand coming from people working downtown," Marsells said.

The location also could play a big role in drawing investors.

It's within an Opportunity Zone, bordered roughly by the Milwaukee River, North Jackson Street and East Juneau Avenue. That <u>new federal program</u> gives generous tax breaks for investments in neighborhoods with higher unemployment and lower incomes.

There are some cautionary notes.

A substantial number of the new housing being created by Convent Hill South should serve people who truly have low incomes, said Lawrence Vale, a professor of urban design and planning at Massachusetts Institute of Technology.

"The details about 'affordable to whom' matter a lot," Vale said.

Also, there should be an ongoing dialogue with neighbors, including the low-income people living at Convent Hill, to make sure they benefit from the proposed high-rise, he said.

Finally, such mixed-income buildings should be designed and operated in ways that encourage residents to interact, according to "Integrating The Inner City," a 2015 book by Robert Chaskin and Mark Joseph that examined Chicago's mixed-income housing.

That includes avoiding separate entrances for market rate and affordable apartments — which has happened at some mixed-income developments.

"I like the fact that you don't have a 'poor door," said M. Joseph Donald, a Housing Authority board member, when the conceptual plans were presented at a recent meeting.

Convent Hill South's fitness center, community room, co-working space and other common areas would be designed to welcome residents of all incomes, Williams said.

If the high-rise is built, it could pave the way for similar future developments that would help create new affordable housing units while also generating more money to maintain current Housing Authority buildings — which total around 4,800 units.

Other potential sites for mixed-income developments include three older apartment buildings the authority operates in Riverwest and the neighboring east side: Locust Court, 1350 E. Locust St.; Riverview, 1300 E. Kane Place, and Arlington Court, 1633 N. Arlington Place, Marsells said.

Those existing high-rises could eventually be renovated, or demolished and replaced with new developments.

"We've thought about it," Marsells said. "We want to make sure if we do that, that those residents would stay in that neighborhood."

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Convent Hill South would amenity space for residents. The conceptual plans call for a swimming pool, fitness center and other amenities typically found in upscale high-rises. Korb + Associates



Convent Hill South would have a large lobby space. Korb + Associates



Convent Hill South, a 32-story apartment high-rise proposed for Milwaukee's downtown area, would include an unusual mix of market-rate and affordable apartments. Korb + Associates



Convent Hill South would feature roughly a dozen townhouses on the street level. Korb + Associates



Convent Hill South would include one floor of offices, including an outdoor courtyard for those workers. Korb + Associates



Convent Hill South would include one floor of offices, including an outdoor courtyard for those workers. Korb + Associates



Convent Hill South would include one floor of offices with their own lobby. Korb + Associates