



Financing Workforce Housing: Exploring Program Options and Models
February 5, 2020
9:30 a.m. – 3:30 p.m.
Madison Club, Madison, WI

Organization Contact Person and Contact Information	Kathleen Heady, CEcD, Manager, Wisconsin Economic Development Academy, Wisconsin Economic Development Association
General Organization Information (i.e. website address, short description of organization, etc.)	The Wisconsin Economic Development Association (WEDA), founded in 1975, is a statewide non-profit organization dedicated to expanding Wisconsin's economy. Driven by the needs of our 450-plus members, we represent the economic development interests of both the private and public sectors through leadership on statewide initiatives to advance economic development in Wisconsin. Through the Wisconsin Economic Development Academy, WEDA provides educational programming to meet the needs of local officials, board or commission members, private sector businesses and professionals in the planning, community and economic development fields.
Academy Course Model	Comprehensive Course
Name of Academy Course:	Financing Workforce Housing: Exploring Program Options and Models
Technology Required (LCD projector, flip chart, etc.)	LCD projector, screen, laptop
Training Objectives	To introduce approaches to financing workforce housing through case studies of successfully completed projects. After finishing this course, participants should have a broad understanding of programs and models that could be used in their communities to develop workforce housing.
Description of Session or Course - its relevance to attendees (What will you learn and why is it important) (brief is better but no more than 300 words)	<p>This course will provide attendees with information on financial programs and capital stack models for developing workforce housing through a case study approach. Case studies focus on urban, rural and small community workforce housing projects utilizing a variety of financing structures and programs.</p> <p>Presentations will contain information on the capital stack, including programs used, uses of cash by program, challenges experienced, keys to success, and project specifics. Methods used to build community acceptance of these projects will also be discussed. Instructors include developers, non-profit organizations and consultants.</p> <p>Participants in the course will have an opportunity to engage in discussions with other economic development professionals, planners and local government officials.</p>
Training Deliverables	<p>Through this course, attendees will learn:</p> <ul style="list-style-type: none"> • Financing structures of successful workforce housing projects • Project timelines, challenges and keys to success • Resources and programs available through a case study approach • Communicating the need for workforce housing

Opening Remarks

Joaquín J. Altoro, WHEDA Chief Executive Officer



Governor Tony Evers appointed Mr. Joaquín Altoro as WHEDA's CEO and Executive Director effective June 3, 2019. Mr. Altoro has an extensive, 27-year banking career in both residential and commercial lending. Most recently, he served as Town Bank's Vice President of Commercial Banking. At Town Bank, he successfully utilized federal Housing Tax Credits to advance affordable housing options in Southeastern Wisconsin.

Throughout his career, Mr. Altoro has served on numerous boards and advisory committees to help rural and urban populations meet their unique economic development needs. While a board member for Forward Community Investments (FCI), he advised on the CDFI's loan fund investments in education, health, housing and entrepreneurship to help build strong communities throughout the state. Furthermore, he served on FCI's New Markets Tax Credit committee to bring additional investment resources to the state of Wisconsin.

Mr. Altoro has been an expert panel speaker for the Federal Reserve Bank of Chicago educating bankers on successful community development strategies on a local and a national level. He has also been an instructor at the Center for Financial Training, a continuing education program for bankers. His engaged, high-energy approach and previous entrepreneurial experience complements a strong business/ quantitative acumen for advising community bankers across Wisconsin.

As a former City Plan Commissioner for the City of Milwaukee, Mr. Altoro understands Milwaukee's dynamic community and is well acquainted with diverse neighborhoods in order to serve their socio-economic and affordable housing needs. As CEO, Mr. Altoro is strategically positioning WHEDA to leverage affordable housing in a more holistic way to attract new businesses and encourage existing businesses to grow. His multi-faceted banking expertise, successful track record of establishing public-private partnerships, and unique approach on advising community development will advance WHEDA's mission throughout urban and rural Wisconsin.

Mr. Altoro is a member of the Governor's Interagency Council on Homelessness; board president of the WHEDA Foundation, Inc.; a board member of Lift Wisconsin, a Community Development Entity; a board member for the National Council of State Housing Agencies; and a member of the Community Investment Advisory Council for the Federal Home Loan Bank of Chicago.

Mr. Altoro has a Bachelor of Science in Business Management from Cardinal Stritch University. He has been recognized as one of the nation's top 100 Business Journal Influencers for Finance and as one of the Milwaukee Business Journal's 2019 Power Brokers. He has received the "Be the Change" award from the Milwaukee Urban League and has been recognized as a "Milwaukee Game Changer," by MKElifestyle magazine.

10:00 a.m.

Seth Hudson, E.D.F.P., Senior Manager of Economic & Community Development Services, Cedar Corporation



Seth Hudson has worked in the field of Economic Development for the past 20 years at the local, regional and state levels in both rural and urban settings. Seth Hudson works for Cedar Corporation; a Planning and Engineering firm that serves public and private clients throughout the State of Wisconsin. Seth works with clients in the areas of economic development strategies;

Housing market studies, project financing: including TIF, state and federal financial programs; and advises on business attraction and expansion projects.

Prior to working at Cedar Corporation Seth worked as;

- North west Regional Account Manager at the Wisconsin Economic Development Corporation;
- The Pacific Division Development Manager for Western Solutions, where he repositioned contaminated sites on the west coast for commercial, industrial and commercial uses;
- Sr. Economic Development Manager for the Portland (OR) Development Commission;
- Executive Director of the Napa Valley Economic Development Commission;
- Senior Development Specialist for the City of San Leandro CA, and;
- Environmental Business Development Manager at the Arizona Dept. of Commerce.

Seth has a BA in Economics and Political Science from the University of Southern Maine and holds an Economic Development Finance Certification from the National Development Council.

Megan Schuetz, Real Estate Developer, Movin' Out, Inc.



Megan Schuetz, Real Estate Developer, joined Movin' Out in the summer of 2018, bringing over 12 years of experience across the country with a top Wisconsin real estate developer. She has worked on over 40 multi-family housing development projects totaling more than \$400M. Megan has helped create over 2,500 units of affordable housing, leveraging funding sources including Low-Income Housing Tax Credits (4% & 9%), HOME, FHLB AHP, CDBG, Local and National Housing Trust Funds, New Market Tax Credits, HUD 221(d)4 financing, State and Federal Historic Tax Credits, and WEDC funds.

Movin' Out, Inc. is a 25-year old non-profit organization that serves individuals with disabilities and families with a member with a disability, as well as veterans, across the state of Wisconsin. Movin' Out provides a range of safe, community-integrated, affordable housing solutions, from HUD-certified housing counseling and assistance with down-payment and rehab, to a variety of rental housing options. Movin' Out has assisted over 1,600 low-income households to purchase homes. Additionally, during the past 13 years, Movin' Out, Inc. has developed and owns and operates over 1,000 units of affordable rental units in Wisconsin. In 2020, Movin' Out will start construction on at least 230 additional affordable housing units providing 60 units of integrated housing for households where one family member has a disability.

10:45 a.m.

Ted Matkom, Wisconsin Market President, Gorman & Company



Ted Matkom has held the role of Wisconsin Market President over the past 10 years with Gorman & Company and has also served as General Counsel for the past thirteen years. Ted has a wealth of experience in developing both residential and commercial real estate. He served five years on the board of directors for Menomonee Valley Partners, the non-profit development entity designated to revitalize Milwaukee's

Menomonee Valley industrial park. For the past 8 years, Ted has been President of The Corridor, Inc., a nonprofit organization that has been charged with helping to redevelop the "30th Street Corridor" in the heart of Milwaukee. He has also been appointed for the past six years to the Board of Directors for the Milwaukee Area Workforce Investment Board, Inc. Ted has a Bachelor of Arts in International Relations and Political Science from the University of Wisconsin-Madison, and a Doctorate of Law from Marquette University.

Nicole Solheim, Director of Development, Gorman & Company



Nicole Solheim serves as Director of Development for Gorman & Company in the Wisconsin Market and is responsible for identifying potential projects, securing funding and entitlements, coordinating real estate closings, and tracking projects from inception through completion and stabilization. Over the past 8 years at Gorman, she has worked on 20+ closings totaling over \$300 million. Previous to her employment with Gorman & Company, Ms. Solheim worked for a commercial real estate development firm and for an economic development nonprofit organization in Madison, Wisconsin. Ms. Solheim has a BBA in Real Estate and Urban Land Economics and a Master's Degree in Urban and Regional Planning from the

University of Wisconsin-Madison.

Since 1984, **Gorman & Company** has specialized in downtown revitalization, historic preservation, mixed-use, live-work, workforce housing, neighborhood transformations, and preservation of affordable housing options. We have been recognized as one of the nation's "Top 50 Affordable Housing Developers" by Affordable Housing Finance and regularly receive local and national recognition for our developments.

Our team has a proven track record of cultivating successful partnerships with a wide range of groups including municipalities, corporations, housing authorities, nonprofit organizations, private investors, businesses, and community stakeholders. We bring with us our ability to assemble a wide array of resources necessary to tackle challenging development projects all while maintaining the community vision. Gorman & Company is a fully integrated company that includes development, construction, architectural, and property/asset management experience. This dynamic structure allows Gorman to develop projects in-house by bringing all sides of a transaction to the table at once, along with an extremely strong balance sheet and a spirit of flexibility and cooperation.

Case Studies – Round 3

11:30 a.m.

Abby Attoun, Director of Planning and Community Development, City of Middleton



Abby is the Planning and Community Development Director for the City of Middleton. Her role includes long-range planning, community & economic development, and housing. She holds a master’s degree in Urban and Regional Planning from the University of Iowa. She has worked at the City of Middleton for 12 years. Abby grew up in Joplin, Missouri.

Jacob Klein, President, JT Klein Company, Inc.



Prior to forming JT Klein Company, Inc. (JTK) in November 2014 Jacob spent 10 years as lead developer and project partner for a multifamily developer based in Minneapolis, MN. During that time Jacob simultaneously held the role of project manager of for its affiliated construction company. At JT Klein, he leads all facets of the development process and supervision of development staff for his company which specializes in urban infill multifamily projects. As President of JTK his responsibilities include site identification and acquisition, city entitlement, financial layering, tax credit approvals, construction management and lease-up, financing -- identifying various forms of soft cost subsidies, TIF analysis, construction and long-term debt financing as well as Low Income Housing Tax Credit (LIHTC) Equity.

Over the past 15 years Jacob has developed over 1200 units of multifamily housing in Wisconsin. These include private pay assisted living and memory care, market rate and mixed income LIHTC workforce and senior apartments. Over the last 5 years Jacob has been focused on developing affordable housing exclusively in Dane County.

Education: BA University of Colorado- 2002

Lunch – 12:15 p.m.

Lunch and Tabletop Discussion and Group Report Out

Case Studies – Round 4

1:15 p.m.

Donald N. Bernards, CPA, Partner, Baker Tilly



Donald Bernards, partner in the real estate group with Baker Tilly, has been active in many aspects of affordable housing since 1999. Don is well versed in structuring affordable housing transactions, including the tax issues. Don is adept at creating a checklist of major issues for each project that can put a deal at risk. Immersed in the affordable housing practice, Don has a wide range of experience with projects, owners and

investors and has built a wide network of contacts within the field. His enthusiasm and passion for the industry are infectious. "It's not just about numbers," he says, "it's about the end product and growing capacity." Don has worked on affordable housing transactions in 26 states.

Baker Tilly Virchow Krause, LLP (Baker Tilly) is a leading advisory, tax and assurance firm whose specialized professionals guide clients through an ever-changing business world, helping them win now and anticipate tomorrow. Baker Tilly Virchow Krause, LLP is an independent member of Baker Tilly International, the world's 10th largest network made up of 126 high quality, independent accounting and business services firms in 145 territories, with 34,000 professionals.

New Financing Strategy –
Workforce Housing Endowment
Program

2:00 p.m.

Steve Apfelbacher, Partner, H & A Advisors, LLC



After forty years, Steve retired as President and as a municipal advisor with the ninety-person independent municipal advisory firm, Ehlers. He helped local governmental entities in Wisconsin and Minnesota plan and secure their capital finance needs. He also served as a Board member and the past President of both the Minnesota Institute of Public Finance (MIPF) and the National Association of Municipal Advisors (NAMA). As NAMA's President, Steve was instrumental in finalizing the Dodd-Frank Act's legislation regulating municipal advisors. He also served three years

on the Municipal Securities Rulemaking Board (MSRB) that establishes rules for the municipal finance industry including the regulation of municipal advisors as well as underwriters. Steve currently is a partner with H & A Advisors, LLC.

Michael C. Harrigan, Partner, H & A Advisors, LLC



Mike is a partner & owner of H & A Advisors, LLC, a firm he co-founded in 2019 for the purpose of assisting local communities with financing of Workforce Housing. Mike also provides part time consulting service to the Wisconsin Economic Development Association as a recruiter for the **WEDA CRA Network**.

In 2018, Mike retired from Ehlers Inc., a multi-state Public Finance firm where he served for 26 years, the last 13 as Chairman of the Board. While at Ehlers Mike assisted Wisconsin cities, villages, towns, counties, schools public utilities, and special districts design and implement financial solutions utilizing Municipal Bonds and Tax Incremental Financing. Prior to joining Ehlers he had 19 years of local government management experience, most recently as Village Manager at Whitefish Bay, WI 1984-1993.

Mike currently serves as a member of the Whitefish Bay Community Development Authority and Board of Review.

Case Studies – Round 5

2:45 p.m.

Fred Hebert, Executive Director, Central Wisconsin Community Action Council, Inc.



Prior to assuming the position as Executive Director for Central Wisconsin Community Action Council, Inc. in January 2000, Fred was employed by the State of Wisconsin, Department of Health and Social Services for 25 years. His major assignment was in the LaCrosse District office as a District Administrator for the Division of Mental Hygiene. Between State Service and this present position, Fred became the Interim Director for Vernon County's Human Services Department for two years.

Fred has a BS Physical Science and English from St. Norbert College and a MA Social Services Administration from Central Michigan University.

Central Wisconsin Community Action Council, Inc. is a not-for-profit, 501(c)(3) charitable organization incorporated in 1966. We serve five counties in central Wisconsin (Adams, Columbia, Dodge, Juneau & Sauk) with programs including Housing & Energy, Homeless, Hunger Reduction, Section 8, Employment & Training, Business & Economic Development, Guardianship & Fiduciary, and Affordable Housing. Our agency mission is to provide the opportunity for services which help low-income individuals and families within our service area achieve self-sufficiency and independence.

Facilitators

Kaitlin Scopoline, Manager, Real Estate Transactions Team, Baker Tilly



Kaitlin Scopoline, manager with Baker Tilly's real estate transactions team, has been with the firm since 2015. Kaitlin specializes in consulting with, and assisting developers apply for various sources of funds to build multifamily, affordable housing developments. She provides advisory services on real estate transactions that typically involve tax incentives such as Low Income Housing Tax Credits (LIHTC).

Brad Elmer, CFA, Managing Director, Baker Tilly Municipal Advisors



Brad Elmer brings 20 years of public finance experience to the Baker Tilly's Municipal Advisory practice. Drawing on both public and private experience, Brad advises clients on the issuance of bonds and supports municipal clients with his special expertise in real estate, economic development and urban redevelopment initiatives. Brad has an in-depth understanding of real estate development and the public and private financial tools available to finance it. He

uses this knowledge to reduce the financial burden on municipalities and to help communities achieve their goals for investment. Brad is a CFA charter holder, earned an MBA from UW-Madison, and is a Registered Municipal Advisor.

Baker Tilly Municipal Advisors is a top 3 municipal advisory firm that works with communities in Wisconsin and across the country to optimize operations and to improve quality of life. The firm has 130 years of combined operating experience with more than 420 public sector professionals that bring the full range of depth and knowledge to match the broad requirements of each client we serve, helping them win and anticipate tomorrow.