

Project description

Villard Square GrandFamily Milwaukee is a milestone mixed-use project that serves as a unique and successful model for developers looking to offer affordable housing and access to social services in low-income communities. Located in Milwaukee, WI, the soon-to-be opened four-story building combines 47 affordable rental units for households where grandparents are the primary caregivers for their grandchildren, with a new 10,000 square foot neighborhood library on the ground floor.

Developed by the Wisconsin-based Gorman & Company and non-profit partner Northwest Side Community Development Corporation (NWSCDC), Villard Square used financing from the Wisconsin Housing and Economic Development Authority (WHEDA) to address both a growing housing demographic and public need for a new full-service library. As the state's first "grandfamily" housing development, Villard Square now serves as an anchor tenant for the continued redevelopment of the low-income Villard Neighborhood district.

Responding to community needs

In recent years, Milwaukee has experienced a growing need for affordable housing and services due to an increase in households in which grandparents are the primary caregivers. According to the 2000 census, there were over 7,000 grandparents in Milwaukee who were responsible for their grandchildren and that number continues to rise. Since many of these children came from broken homes, often times because parents are in prison, suffer from drug addictions or other problems, NWSCDC saw a unique opportunity to create a safe, stable housing environment for these children and guardians. After years of discussions with city advocates, NWSCDC developed the "grandfamily" housing model and partnered with Gorman & Company to begin construction efforts.

The completed apartment portion of Villard Square consists of one-, two- and three- bedroom units featuring central air, in-unit laundry facilities, high ceilings and study spaces. In addition to free underground parking, a movie theater, rooftop patio and a beauty salon, the building also has features for both the grandparents and children such as wide hallways with hand rails, emergency pull cords in bedrooms, a playroom and on-site tutoring.

In the beginning stages of development, NWSCDC and Gorman & Co. determined that the housing portion should also incorporate a strong social services component to help these grandparents with the challenges of raising children in today's social climate. Jewish Family Services was brought along to administer these services, and now has a social worker dedicated to Villard Square to link residents to various city, county, state and federal services that are provided in the area. Villard Square also features a counseling lounge that provides office and meeting space for the onsite social worker.

Innovation

Years before the Villard Square development was proposed, NWSCDC and the local community spent time collaborating on ways to keep the Villard Avenue Branch Library in the community. At that time, the old library was located across the street in an inefficient and outdated building that required over \$1 million from the city for renovations. In 2003, when faced with financial constraints and a library that was the least visited in terms of patrons, the city decided to close the Villard Avenue Branch Library.

Although it was one of the smaller libraries in the city, the news of the Villard Avenue Branch drew heavy opposition from the community. From 2003 to 2009, NWSCDC worked diligently with community leaders to come up with a resolution to keep a library in this community. These efforts resulted in a proposed mixed-use development in the Villard Neighborhood that would house a new public library. In 2009, the city of Milwaukee budget included \$3 million to help pay for the library portion of the project, so it was determined that the new library would replace the existing library on the ground floor of the Villard Square development.

In order to finance both the housing and library, developers worked with WHEDA to leverage federal financial resources. WHEDA provided much of the funding for the Villard Square GrandFamily including Low Income Housing Tax Credits (LIHTC) for the housing portion of the project that generated more than \$4.6 million in Tax Credit Equity. This award came after two failed tax credit applications in previous years. When Villard Square was finally awarded tax credits, the development was victimized by falling tax credit prices and a lack of investors. To negate these failing tax credit prices, WHEDA provided Villard Square with a federal Tax Credit Assistance Program (TCAP) loan of \$1.29 million as a part of the American Recovery and Reinvestment Act (ARRA). The TCAP funds were used to fill investment gaps for the project, alongside over \$4 million in Community Development Block Grants (CDBG) and bonding from the city of Milwaukee.

In order to finance the library portion of the project, Milwaukee Economic Development Corporation (MEDC) awarded the developers \$600,000 in New Markets Tax Credits (NMTC), which were purchased by the real estate investment and advisory firm, Boston Capital. NMTC provide tax incentives to investors who make equity investments in urban low-income communities. Although there are strict guidelines against using NMTC for residential housing projects, the project partners were able to combine the NMTC with LIHTC by “condoizing” the development, or financing both the housing and commercial real estate portions separately. Harris Bank and IFF also provided construction financing and permanent loan respectively.

Since the project’s final approval, the city has been instrumental in promoting the development to the surrounding community. The city along with the Milwaukee Public Library, Milwaukee Public Library Foundation, and Milwaukee Arts Board recently partnered on a project to invite area artists and teams of artists to submit qualifications for the opportunity to enhance the new Villard Square Branch with their unique artwork – which will be integrated into the design of the space.

The project team hired two artists through the city's total budget of \$24,000 to design, engineer, produce, and install this art work. This project will make the library an even more valuable asset to this community.

Achieve intended results

As you drive through the Villard Avenue Neighborhood, Villard Square GrandFamily stands taller than any other building and is a new symbol of the community's ongoing revitalization efforts. This site was an afterthought for a high density mixed-use project in the past, so Villard Square's near completion further demonstrates the significant steps this neighborhood has made in recent years to add affordable rental housing options and build a better community for its children.

Through WHEDA's financing resources, Gorman & Company, NWSCDC and the city were able to move forward with the affordable apartments as well as a new, energy-efficient public library to serve the community while promoting stronger educational support systems for inner city families. The new library reduced traditional energy consumption to one-half that of the old Villard Avenue Library, making it a building on the leading edge of today's technology.

Grand families and relative family caregiving continues to be one of the fastest growing types of families in the country and can be some of the poorest in terms of income. Since this is traditionally an underserved portion of our society, it became clear to project partners that it was necessary to utilize all financing resources available to get this deal done.

There are a number of distinctive characteristics that make Villard Square GrandFamily Milwaukee a truly special development. 1) Partnership between a for-profit developer with a local/neighborhood based nonprofit agency, 2) Combination of federal LIHTC and New Markets Tax Credits awarded on the same building, 3) The Grandfamily housing concept was implored with tailored services to tenants, and 4) A public library paired with affordable apartments will go down as one of the great on-site amenities in the history of Wisconsin's housing industry.

Through a great partnership between the city, Gorman & Company, NWSCDC and WHEDA, the end result is a wonderful mixed-use development that will serve as an anchor in a neighborhood that's continuing on a road toward social and economic revitalization.

Apartments for senior citizens and their grandkids

The 47-unit Villard Square would be the first apartment development in Milwaukee aimed at grandparents who are the main caretakers for their grandchildren.



DAVID ARBANAS/
 darbanas@journalsentinel.com

House & Home

Kid-friendly senior housing proposed

Services would assist grandparents

By Tom Daykin of the Journal Sentinel

Posted: Feb. 6, 2009

Grandparents who are raising their grandchildren - often because the parents are in prison, have drug addictions or other problems - would have apartments designed especially for their needs through a development proposed for Milwaukee's north side.

The \$10 million project, Villard Square, would create 47 apartments in the 3400 block of W. Villard Ave. It would be among a small but growing group of U.S. apartment developments that combine senior housing with kid-friendly features. The idea is to put children from broken homes into a stable environment, said Chris Laurent, of the development firm Gorman & Co.

Oregon, Wis.-based Gorman, which has built several apartment complexes in the Milwaukee area, and Northwest Side Community Development Corp., a neighborhood nonprofit group, would develop Villard Square.

It would be the first Milwaukee apartment building specifically marketed to grandparents who are the main caretakers for their grandchildren, said Laurent, Gorman's Wisconsin market president. Similar apartments have been built in Chicago, Boston, New York and other cities.

There's a strong demand for such housing in Milwaukee, Laurent said. According to the 2000 census, there were 7,052 grandparents in Milwaukee who were responsible for their grandchildren.

Gorman's development would combine housing with services, such as parental counseling, to help grandparents, Laurent said.

The apartments also might be combined with a new neighborhood library, Laurent said. The library would be in 10,000 square feet on the four-story building's ground floor and would replace the Villard Avenue Library at 3310 W. Villard Ave.

The 2009 city budget includes \$1 million to help pay for the library portion of the project, which could serve as a model for future neighborhood libraries, Mayor Tom Barrett said.

The grandparent housing proposal would encourage stronger support systems for families, Barrett said.

That's been the case at GrandParent Family Apartments, a \$13 million development for grandparents and grandchildren that opened in 2005 in New York City.

There are 94 grandchildren living in the building's 50 apartments in the Bronx, said David Taylor, executive director of Presbyterian Senior Services, the project co-developer. Their ages range from toddlers to 20-year-old college students, while their grandparents are from their early 60s to their 80s, he said.

"And they're doing well because they're in a very nice, structured environment," Taylor said. "It's safe and it's affordable."

The building has features for both senior citizens and children, such as wide hallways with hand rails, emergency pull cords in bedrooms, a playroom and on-site tutoring, Taylor said. It also has social workers on site to help older family members with child rearing.

The on-site services are important, Taylor said. A lot of the children have had difficult lives. Some have been abandoned by their parents - mainly because of drug abuse, he said. And the grandparents sometimes have trouble communicating with them.

The services have been a big help, said Annie Barnes, 66, who lives in the apartment building with two teenage grandchildren. The family moved there nearly four years ago from a less-secure and cramped apartment.

Working on financing

Villard Square's developers have been talking to the YMCA about providing services to the apartment residents, Laurent said.

Gorman and Northwest Side CDC also are assembling financing for the development, including an application for federal affordable housing tax credits. Those credits are given to developers that agree to provide apartments at below-market rents to moderate-income families and senior citizens.

The Wisconsin Housing and Economic Development Authority allocates the tax credits in a competitive process, and a decision could come by April, Laurent said. If the project receives financing, construction could begin by early fall, with Villard Square opening by summer 2010, he said.

Developers sell the credits to raise equity financing, and the demand for tax credits has dropped because of the recession. Still, there are banks willing to buy credits for high-profile projects such as Villard Square, said Howard Snyder, Northwest Side CDC executive director.

Villard Square's apartments, a mix of one-, two- and three-bedroom units, would rent for \$550 to \$875 a month.

The apartments would be rented to people earning no more than 60% of the Milwaukee area's median income. For a two-person household, that maximum income is \$32,520, with the limits increasing as the household size increases.

With so many young children, Villard Square's atmosphere probably would be much livelier than other apartment buildings for senior citizens.

"The noise level is pretty high," Taylor said about GrandParent Family Apartments. "It's not a nice, peaceful retirement."



Editorial: More than a library

Milwaukee aldermen should support funding for a new mixed-use Villard Library project that includes “grandfamily” housing and could be a model for other neighborhoods.

Oct. 10, 2008

For some, budgeting and belt-tightening might mean eating out less, abstaining from that \$5 mocha or passing up a cute pair of shoes. But when expenses keep rising, little cuts don't cut it. Sometimes you need to spend a little money to save more — like replacing old drafty windows to save on heating costs.

That's what Milwaukee Mayor Tom Barrett is proposing to do in his 2009 budget with a \$1 million appropriation for planning and developing a new, improved Villard Library at 3310 W. Villard Ave. While \$1 million may sound like a lot, the current building would require a large cash infusion to keep running, as it needs serious rehab.

Aldermen should support funding for the project, which will save money in the long run and has an impressive coalition of supporters. If it works as proponents expect, it could be a model for others to emulate.

Northwest Side Community Development Corp. has been spearheading the collaborative effort between the library board, Gorman and Co., Local Initiatives Support Corp., the City of Milwaukee and others. Northwest Side CDC Business Development Director Sam McGovern-Rowen describes the library as a type of village hall for the neighborhood: "Everybody - white, black, young, old, rich, poor - uses it. . . . We're creating a model that can be replicated anywhere where there's a neighborhood library that's costing the city a ton of money to keep open."

A new, energy-efficient building with a library on the first floor and affordable "grandfamily housing" by Gorman above it could save the city about 15% each year in operating costs for the library, according to budget director Mark Nicolini. Construction costs would be shared.

The project serves multiple objectives: increasing affordable housing options, contributing to neighborhood revitalization, reducing operating costs, providing a safe haven for kids and making the library more efficient via automation while keeping core services.

The library was on the chopping block in 2003, and residents fought to keep it open. This time, efforts involve an even broader collaboration.

Gorman's Wisconsin market president, Christopher J. Laurent, says he considers it a high priority.

"We do business in a lot of different communities, and one of the reasons we keep coming back to Milwaukee is the willingness to work together," Laurent said.

Aldermen can make only so many cuts before there's a serious impact on public safety, loss of important services or dangerous postponement of investment in infrastructure. This year, they also should invest in long-term savings by funding the Villard Library effort.

Reinventing the Library

Tight budgets, technology and community propel libraries forward

By Lisa Kaiser



In the age of Google, iPhones and Kindle, are brick-and-mortar libraries necessary?

Absolutely. Now more than ever.

In fact, libraries are enjoying a surge in attendance, despite the pervasiveness of instant-gratification multimedia options.

Nationally, library use is up; according to a 2008 survey conducted by the American Library Association (ALA), 76% of

Americans visited a library during 2008, up from 65% the prior year. Locally, the Milwaukee Public Library (MPL) reported 2,466,608 visitors in 2008, reversing declines during the 2000s.

That may be due to the downturn in the nation's economy.

"The importance of libraries in American life continued to grow in 2008—and accelerated dramatically as the national economy sank and people looked for sources of free, effective help in a time of crisis," concluded the ALA in their April 2009 report.

But libraries are also wisely updating their services to fit the needs of 21st-century browsers. While libraries still offer traditional materials and services—such as story time for kids and classic books and reference materials—libraries have also wisely invested in new technologies to increase efficiency and stay relevant.

"They're evolving, and I don't think it's going to stop," said James Gingery, director of the Milwaukee County Federated Library System. "There's more Internet usage and computer labs and job resource centers. They're very service-oriented to make things comfortable for the patron. But on top of that, I think books still have a great appeal. People are still reading books, whether it's in Kindle form or something else we don't know yet. And libraries will continue to adapt to new technologies and will try to hopefully be on the edge of those changes and anticipate them."

Community and Cutbacks

But that's not all libraries provide. After all, anyone with an Internet connection can download an eBook, investigate perplexing questions or watch movies or TV shows. Public libraries, however, offer much, much more. They provide a shared space for everyone. As Mike Koszalka, the director of the West Allis Public Library, put it: "We're here to serve all."

That public spirit is at the heart of the library's core mission to educate and enlighten.

David Riemer, president of the MPL Board of Trustees, said that the public library system is "one of the greatest things Milwaukee does for its residents, and for visitors. Nothing stops anyone from going into a library and taking a book off a shelf and reading it."

"I can't imagine any city not having a public library system," said Paula Kiely, director of the Milwaukee Public Library.

"Public libraries are a great equalizer. We are a great educational institution that requires no tuition. There's no test to get into it, and no one questions what you're interested in or why you want to know something."

That may be why cardholders were shocked early this year to find that MPL was cutting back its operating hours because of the city's tough financial situation and flat-lined shared revenue from the state.

As a result, MPL's budget has been cut from \$23 million in 2008 to \$20 million in 2010; libraries will be closed during the city's four mandated furlough days (the next one is scheduled for Monday, April 5).

Now, most MPL neighborhood libraries are open five days a week for 35 hours, while suburban libraries are still operating six to seven days a week.

Although libraries have shut down around the country due to a lack of funding, Kiely said that closing down a Milwaukee library altogether was not an option. Instead, MPL has paired neighboring libraries so that residents can access a nearby library at least five days a week; the Central Library, Zablocki Library and Capitol Library are open on Sundays during the school year.

"I think people are disappointed that the library is not open longer, but I think that they all, without exception, appreciate that the libraries are open," Kiely said.

Tradition Transformed

The Milwaukee Public Library's roots are as old as the state. Its precursor, the Young Men's Association, a members-only lending library, was established in 1847, one year before the founding of the state of Wisconsin. It became the Milwaukee Public Library with state authorization in 1878, and the Ferry & Clas-designed Central Library, one of the state's architectural gems, opened on West Wisconsin Avenue in 1898, when civic leaders poured resources into public institutions. MPL also operates 12 neighborhood libraries throughout the city; the Milwaukee County Federated Library System boasts a membership of 15 libraries—MPL and 14 suburban libraries.

It's difficult to put a dollar amount on the value of the public libraries, but NorthStar Economics Inc. did just that in a 2009 study. It found that the total economic contribution of Wisconsin Public Libraries to the state's economy is \$753,699,545, or a return on investment of \$4.06 for each dollar of taxpayer investment.

That investment starts paying off early. Kiely said MPL, like all public libraries, focuses a lot of attention on young readers, even those who are too young to read by themselves. Getting kids hooked on books involves the entire family, so the library offers programs for parents and kids—the popular *Books2Go/Libros Para Llevar* program for kids through age 5—as well as Ready to Read, for day care providers and children, run in conjunction with the Wisconsin Early Childhood Association.

The library's adult services go well beyond help with research or book recommendations. The key, it seems, is the heavy investment in computers throughout county libraries—MPL alone has 880—providing Internet access and basic software to anyone with a library card. MPL's Kiely marvels that the library's basic computer-skills classes are still popular after all these years. Libraries cater to job-seekers as well, with drop-in job labs for those who need help updating their résumé or searching for employment online.

"I don't think there's been a more exciting time to be a librarian," Riemer said. "But with the budget crunch, it's exciting in another way. It's a challenge."

The Library of the Future

In addition to the library's traditional assets and services, the system is undergoing a technological revolution that will ensure its relevancy in the coming century. Currently, users are researching the online catalog, placing books on hold online, and even downloading eBooks and multimedia materials directly onto their own computers or iPods via the OverDrive program, without setting foot in a neighborhood library.

Mike Koszalka said that the West Allis Public Library's investment in radio-frequency identification (RFID) scanners has helped it to become more efficient and stave off the budget problems, layoffs and furloughs that MPL is facing. The scanners—installed thanks to a \$1.3 million donation from late West Allis resident Irv Terchak—allows users to pick up

materials they've put on hold, check out their own items and pay fines "within a minute," Koszalka said. Now, 72% of library patrons use the self-service checkouts. MPL is in the process of installing RFID in all of its libraries.

MPL is also changing physically to use its resources wisely. The Central Library's annex will soon be the site of a 30,000-square-foot green roof, an addition that will help to reduce the amount of energy used in the building. Also in the works is the new Villard Avenue Library, to be housed in a mixed-use building being developed by Gorman & Co. Technically, the new library will be a condo unit on the first floor of a building that includes residential condos. The arrangement will lower operating costs for the library, since they'll be shared with other tenants, and further integrate the library into the community. Kiely said that the city's Redevelopment Authority will purchase the unit and the library will lease it from the agency for seven years. That will make the development eligible for new market tax credits, "and bring some funding to the project and save the city some money," Kiely said.

That said, the public libraries always need the support of the community. While municipal budgets provide operating revenue, the programs, classes and many materials typically come from private foundations and "friends" groups. Kiely said the support of the Milwaukee Public Library Foundation and the Friends of the Milwaukee Public Library has been incredibly generous and has allowed the library to continue providing a high level of service even during budget cutbacks. She urged residents to join the Friends of the Milwaukee Public Library—a \$40 annual membership fee that supports the library's collection. The suburban libraries also have friends groups that provide vital private support to their public systems.

"I think people often forget or don't even think about what communities would be like without public libraries," Kiely said.



Development tax credits OK'd

Apartment projects will create 3,000 jobs

By Tom Daykin of the Journal Sentinel
April 23, 2009

Thirty-seven Wisconsin apartment developments, including several in the Milwaukee area, will receive tax credits that allow them to pursue additional financing to get built.

The Wisconsin Housing and Economic Development Authority will announce Thursday the projects that received federal affordable-housing tax credits, which the agency allocates through a competitive process. Development firms that receive the credits agree to rent apartments at below-market rents to low- and moderate-income tenants.

The latest rounds of credits will help finance 2,486 apartments, creating more than 3,000 construction-related jobs, according to the authority.

Milwaukee projects that are receiving credits include [Villard Square](#), which would create 47 apartments in the 3400 block of W. Villard Ave. It would be among a small but growing group of U.S. developments that combine senior housing with kid-friendly features. The idea is to put children from broken homes into a stable environment by having them live with their grandparents.

Villard Square is being developed by Oregon, Wis.-based Gorman & Co. and Northwest Side Community Development Corp., a neighborhood nonprofit group. The \$10 million project will receive \$768,129 in tax credits.

Other projects receiving credits include the 60-unit Hide House Lofts, which Fox Point-based General Capital Group hopes to build at the former Greenebaum tannery in Milwaukee's Bay View neighborhood.

The former tannery, 2625 S. Greeley St., now known as the Hide House, includes space that has been renovated into artists' studios and other new uses. That project will receive \$1.1 million in tax credits.

Also receiving credits is the 55-unit [Bishop's Creek project](#), at the southwest corner of W. Hampton Ave. and N. 32nd St.

That site, where the Kaiser tannery once operated, is in the N. 30th St. industrial corridor, a strip dotted with empty lots and obsolete industrial buildings. That \$10.3 million project qualified for \$849,293 in tax credits.

Villard Square GrandFamily Milwaukee Groundbreaking: September 2010





Villard Square Construction





