

Application for Neighborhood and Community Development Funds

Applications should be submitted electronically to cdbg@cityofmadison.com by 12:00 p.m. on the first Friday of the month and will be reviewed by the CDBG Committee on the first Thursday of the following month.

Program Title:	<u>Parkside Apartments (boiler)</u>	Amount Requested:	<u>\$400,000</u>
Agency :	<u>CDA of the City of Madison</u>	Tax ID/EIN/FEIN:	<u>#39-6006968</u>
Address:	<u>30 W. Mifflin Street, Suite 501</u>	DUNS #	<u>#137346677</u>
Contact Person:	<u>Tom Conrad</u>	Telephone:	<u>267-8711</u>
Email:	<u>tconrad@cityofmadison.com</u>	Fax:	<u>267-4735</u>

1. **Program Abstract:** Provide an overview of the project. Identify the community need to be addressed. Summarize the program's major purpose in terms of need to be addressed, the goals, procedures to be utilized, and the expected outcomes. Limit response to 150 words.

Major mechanical systems in building are in very poor condition or disabled. Replacement of main heating, domestic hot water generation and building fresh air supply systems. Restoration of basic systems to provide tenant comfort and safety and maintain the building's long-term viability.

2. **Target Population:** Identify the projected target population for this program in terms of age, residency, race, income eligibility criteria, and other unique characteristics or sub-groups.

unduplicated individuals estimated to be served by this project. 83

unduplicated households estimated to be served by this project. 83

3. Program Objectives: The 5-Year Plan lists 9 project objectives (A through N). Circle the one most applicable to your proposal and describe how this project addresses that objective.

- | | |
|--|---|
| <input type="checkbox"/> A. Housing – Existing Owner-Occupied | <input type="checkbox"/> G. Neighborhood Civic Places |
| <input type="checkbox"/> B. Housing – For Buyers | <input type="checkbox"/> K. Community-based Facilities |
| <input checked="" type="checkbox"/> C. Housing – Rental Housing | <input type="checkbox"/> L. Neighborhood Revitalization |
| <input type="checkbox"/> E. Economic Dev. – Business Creating Jobs | <input type="checkbox"/> N. Access to Housing Resources |
| <input type="checkbox"/> F. Economic Dev. – Micro-enterprise | |

4. Fund Objectives: Check the fund program objective which this project meets. (Check all for which you seek funding.)

- | | | | |
|-----------------------|---|----------|---|
| Acquisition/
Rehab | <input type="checkbox"/> New Construction, Acquisition,
Expansion of Existing Building | Futures | <input type="checkbox"/> Prototype |
| | <input type="checkbox"/> Accessibility | | <input type="checkbox"/> Feasibility Study |
| | <input checked="" type="checkbox"/> Maintenance/Rehab | | <input type="checkbox"/> Revitalization Opportunity |
| | <input type="checkbox"/> Other | | <input type="checkbox"/> New Method or Approach |
| Housing | <input checked="" type="checkbox"/> Rental Housing | Homeless | <input type="checkbox"/> Housing |
| | <input type="checkbox"/> Housing For Buyers | | <input type="checkbox"/> Services |

5. **Budget:** Summarize your project budget by estimated costs, revenue, and fund source.

EXPENDITURES	TOTAL PROJECT COSTS	AMOUNT OF CD REVENUES	AMOUNT OF NON-CD REVENUES	SOURCE OF NON-CD FUNDED PORTION
A. Personnel Costs				
1. Salaries/Wages (attach detail)				
2. Fringe Benefits				
3. Payroll Taxes				
B. Non-Personnel Costs				
1. Office Supplies/Postage				
2. Telephone				
3. Rent/Utilities				
4. Professional Fees & Contract Services				
5. Work Supplies and Tools				
6. Other:				
C. Capital Budget Expenditures (Detail in attachment C)				
1. Capital Cost of Assistance to Individuals (Loans)				
2. Other Capital Costs:	\$400,000	\$400,000		
D. TOTAL (A+B+C)	\$400,000	\$400,000		

6. **Action Plan/Timetable**

Estimated Month of Completion
November 2018 _____

Describe the major actors and activities, sequence, and service location, days and hours which will be used to achieve the outcomes listed in # 1.

Use the following format:
(Who) will do (what) to (whom and how many) (when) (where) (how often). A flowchart may be helpful.

The CDA has contracted with Hein Engineering Group to develop plans and specifications for the project. This portion of the project is complete. Immediately following the securing of the funds needed, the CDA will solicit bids in accordance with the current CDA procurement procedures. Upon selection of the winning bidder, notice will be given to begin procurement of needed materials. Upon receipt of anticipated arrival dates, for materials, a notice to proceed will be issued.

7. What was the response of the alderperson of the district to the project?

8. Does agency seek funds for property acquisition and/or rehab? [If applicable, describe the amount of funds committed or proposed to be used to meet the 25% match requirements (HOME or ESG) with its qualifications.]

No Complete Attachment A

Yes Complete Attachment B and C and one of the following:

D Facilities

E Housing for Buyers

F Rental Housing and Proforma

9. Do you qualify as a Community Housing Development Organization (CHDO)? (See attachment G for qualifications.)

No

Yes - Complete Attachment G

10. Do you seek Scattered Site Acquisition Funds for acquisition of service-enriched housing?

No

Yes - Complete Attachment B, C, F, and H

11. Do you seek ESG funds for services to homeless persons?

No

Yes - Complete Attachment I

12. This proposal is hereby submitted with the approval of the Board of Directors/Department Head and with the knowledge of the agency executive director, and includes the following:

Future Fund (Attachment A)

Housing for Resale (Attachment E)

Property Description (Attachment B)

Rental Housing and Proforma (Attachment F)

Capital Budget (Attachment C)

CHDO (Attachment G)

Community Service Facility (Attachment D)

Scattered Site Funds Addendum (Attachment H)


ESG Funding Addendum (Attachment I)

13. Affirmative Action: If funded, applicant hereby agrees to comply with City of Madison Ordinance 39.02(9) and file either an exemption or an affirmative action plan with the Department of Civil Rights. A Model Affirmative Action Plan and instructions are available at: <http://www.cityofmadison.com/dcr/aaForms.cfm>.

14. Non-Discrimination Based on Disability: Applicant shall comply with Section 39.05, Madison General Ordinances, Nondiscrimination Based on Disability in City-Assisted Programs and Activities. Under section 39.05(7) of the Madison General Ordinances, no City financial assistance shall be granted unless an Assurance of Compliance with Sec. 39.05 is provided by the applicant or recipient, prior to the granting of the City financial assistance. Applicant hereby makes the following assurances: Applicant assures and certifies that it will comply with section 39.05 of the Madison General Ordinances, entitled "Nondiscrimination Based on Disability in City Facilities and City-Assisted Programs and Activities," and agrees to ensure that any subcontractor who performs any part of this agreement complies with sec. 39.05, where applicable, including all actions prohibited under section 39.05(4), MGO." <http://www.cityofmadison.com/dcr/aaForms.cfm>

15. Notice regarding lobbying ordinance: If you are seeking approval of a development that has over 40,000 gross square feet of non-residential space, or a residential development of over 10 dwelling units, or if you are seeking assistance from the City with a value of over \$10,000 (this includes grants, loans, TIF or similar assistance), then you likely are subject to Madison's lobbying ordinance, sec. 2.40, MGO. You are required to register and report

your lobbying. Please consult the City Clerk for more information. Failure to comply with the lobbying ordinance may result in fines of \$1,000 to \$5,000.

X
Signature:  Date: 5/31/18
President-Board of Directors/Department Head Dean Brassler

Signature:  Date: 5.31.18
Executive Director Natalie Erdman

For additional information or assistance in completing this application, please contact the Community Development Division at 266-6520.

ATTACHMENT B

COMPLETE IF PROJECT INVOLVES PURCHASE, REHAB, OR CONSTRUCTION OF ANY REAL PROPERTY:
 INFORMATION CONCERNING PROPOSALS INVOLVING REAL PROPERTY

ADDRESS	ACTIVITY (Circle Each Applicable Phase)	NUMBER OF UNITS		Number of Units Currently Occupied	Number of Tenants To Be Displaced?	APPRAISED VALUE:		PURCHASE PRICE (If Applicable)	ACCESSIBLE TO INDIVIDUALS WITH PHYSICAL HANDICAPS?		PRIOR USE OF CD FUNDS IN BUILDING?
		Prior to Purchase	After Project			Current	After Rehab/Construction		Currently?	Post-project?	
245 S. Park St.	Rehab	83	83	80	0	TBD	TBD	N/A	7	7	no
	Purchase Rehab Construct										
	Purchase Rehab Construct										

CAPITAL BUDGET

Amount and Source of Funding: ***	TOTAL	Amount	Source/Terms**	Amount	Source/Terms**	Amount	Source/Terms**
Acquisition Costs:							
Acquisition							
Title Insurance and Recording							
Appraisal							
*Pred/bmn/feasibility/market study							
Survey							
*Marketing/Affirmative Marketing							
Relocation							
Other:							
Construction:							
Construction Costs	400,000	400,000	CDBG				
Soils/site preparation							
Construction management							
Landscaping, play lots, sign							
Const. interest							
Permits: print plans/specs							
Other:							
Fees:							
Architect							
Engineering							
*Accounting							
*Legal							
*Development Fee							
*Leasing Fee							
Other:							
Project Contingency:							
Furnishings:							
Reserves Funded from Capital:							
Operating Reserve							
Replacement Reserve							
Maintenance Reserve							
Vacancy Reserve							
Lease Up Reserve							
Other							
(specify):							
Other							
(specify):							
TOTAL COSTS:	400,000	400,000	CDBG				

*** If CDBG funds are used for items with an *, the total cost of these items may not exceed 15% of the CDBG amount.
 ** Note: Each amount for each source must be listed separately, i.e. Acquisition: \$30,000 HOME, \$125,000 CRF.
 *** Identify if grant or loan and terms.

RESIDENTIAL RENTAL PROPERTY

A. Provide the following information for rental properties:

Table A: RENTAL						
Site 1			Site 2		Site 3	
Unit #	# of Bedrooms	Amount of CD \$	Use of CD Funds*	Monthly Unit Rent	Includes Utilities?	Household Income Category
102	1	50,000	rehab	962	yes	Low
103	1	50,000	rehab	962	yes	Low
104	1	50,000	rehab	962	yes	Low
105	1	50,000	rehab	962	yes	Low
106	1	50,000	rehab	962	yes	Low
107	1	50,000	rehab	962	yes	Low
108	1	50,000	rehab	962	yes	Low
109	1	50,000	rehab	962	yes	Low

B. Indicate how the project will demonstrate that the housing units will meet housing and code standards.

CDA will work with the CDBG office to comply with this requirement as it applies to this project.

C. Describe briefly your tenant selection criteria and process.

CDA maintains a waiting list of applicants sorted by date and time of application, city or county residency, family/elderly/disability status. Applicants must be very low-income.

D. Does the project include plans to provide support services to assisted residents or to link assisted residents to appropriate services? If yes, describe.

Two Service Coordinators work at the project funded by HUD Multi-Family Service Coordinator grants.

TOTAL PROJECT PROFORMA (total units in the project)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
Revenue															
Gross Income	968,990	978,170	997,733	1,017,688	1,038,042	1,058,802	1,079,978	1,101,578	1,123,610	1,146,082	1,169,003	1,192,384	1,216,231	1,240,566	1,265,367
Less Vacancy															
Net Income															
Expenses															
Audit	7,200	7,344	7,491	7,641	7,794	7,949	8,108	8,271	8,436	8,605	8,777	8,952	9,131	9,314	9,500
Taxes (P/L/OT)	28,585	29,157	29,740	30,335	30,941	31,560	32,191	32,835	33,492	34,162	34,845	35,542	36,253	36,978	37,717
Insurance	14,000	14,280	14,566	14,857	15,154	15,457	15,766	16,082	16,403	16,731	17,066	17,407	17,755	18,110	18,473
Maintenance	77,856	79,413	81,001	82,621	84,274	85,959	87,679	89,432	91,221	93,045	94,906	96,804	98,740	100,715	102,729
Utilities	97,835	99,792	101,788	103,823	105,900	108,018	110,178	112,382	114,629	116,922	119,260	121,646	124,078	126,560	129,091
Property Management															
Operating Reserve Pmt															
Replacement Reserve Pmt	30,148	30,751	31,366	31,993	32,633	33,286	33,952	34,631	35,323	36,030	36,750	37,485	38,235	39,000	39,780
Support Services	76,020	77,540	79,091	80,673	82,286	83,932	85,611	87,323	89,070	90,851	92,668	94,521	96,412	98,340	100,307
Affirmative Marketing	50	51	52	53	54	55	56	57	59	60	61	62	63	65	66
Other	528,087	538,649	549,422	560,410	571,618	583,051	594,712	606,606	618,738	631,113	643,735	656,610	669,742	683,137	696,800
Total Expenses	859,781	876,977	894,516	912,406	930,655	949,268	968,253	987,618	1,007,370	1,027,518	1,048,068	1,069,030	1,090,410	1,112,218	1,134,463
NET OPERATING INCOME	99,209	101,193	103,217	105,281	107,387	109,535	111,725	113,960	116,239	118,564	120,935	123,354	125,821	128,337	130,904
Debt Service															
First Mortgage															
Other															
Other															
Total Debt Service															
Total Annual Cash Expenses															
Debt Service Reserve															
Cash Flow															
Assumptions:															
Vacancy Rate	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Annual Increase	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Carrying Charges															
Expenses	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%