

## Housing Forward: CDD Financing for Housing Development and Housing Services Application

This application form should be used for projects seeking funding from City of Madison Request for Proposals #2020-8976; Housing Forward: CDD Financing for Housing Development and Housing Services. Applications must be submitted electronically to the City of Madison Community Development Division by **noon on November 25, 2020**. Email to: [cddapplications@cityofmadison.com](mailto:cddapplications@cityofmadison.com)

### APPLICANT INFORMATION

Proposal Title:	19 N Hancock Cooperative Phase II Rehab		
Amount of Funds Requested:	\$ 168,570	Type of Project:	<input checked="" type="checkbox"/> Development <input type="checkbox"/> Housing Services
Name of Applicant:	Madison Community Cooperative		
Mailing Address:	1202 Williamson St, Suite 106, Madison, WI 53703		
Telephone:	(608) 251-2667	Fax:	
Project/Program Contact:	Abby Davidson	Email Address:	<a href="mailto:abby.s.davidson@gmail.com">abby.s.davidson@gmail.com</a>
Financial Contact:	Gwen Kelly	Email Address:	<a href="mailto:financeofficer@madisoncommunity.coop">financeofficer@madisoncommunity.coop</a>
Website:	<a href="https://www.madisoncommunity.coop/">https://www.madisoncommunity.coop/</a>		
Legal Status:	<input type="checkbox"/> For-profit <input checked="" type="checkbox"/> Non-profit <input type="checkbox"/> Non-profit (CHDO)		
Federal EIN:	39-1134828	DUNS #:	073842684
Registered on SAM:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Community Housing Development Organization:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> CHDO Application Attached		

### AFFIRMATIVE ACTION

If funded, applicant hereby agrees to comply with the City of Madison Ordinance 39.02 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/aaFormsID.cfm>.

### LOBBYING RESIGTRATION

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. You may register at <https://www.cityofmadison.com/clerk/lobbyists/lobbyist-registration>.

### CITY OF MADISON CONTRACTS

If funded, applicant agrees to comply with all applicable local, state and federal provisions. A sample contract that includes standard provisions may be obtained by contacting the Community Development Division at (608) 266-6520.

If funded, the City of Madison reserves the right to negotiate the final terms of a contract with the selected agency.

### SIGNATURE OF APPLICANT

Enter Name: Steve Vig

By submitting this application, I affirm that the statements and representations are true to the best of my knowledge.

By entering your initials in this box S.V. you are electronically signing your name as the submitter of the application and agree to the terms listed above.

Date: 11/25/2020

## PROPOSAL OVERVIEW

1. Please provide a brief overview of the proposal. Describe the impact of the proposed development or program on the community as well as other key characteristics. *(Please limit response to 300 words including spaces).*

Madison Community Cooperative (MCC) is converting an 8-bedroom rental property at 19 N. Hancock Street to a 10-bedroom cooperative house. This housing will be tenant-operated, supported by MCC's 50+ years of experience, and will include services such as high-speed internet access, free on-site laundry, and a dining program. The co-op includes two ADA accessible units. Interior co-op conversion activities are expected to be completed by the end of March. Due to financial constraints, exterior rehab and appliance upgrades were not included in the scope of work for the previous phase of the project.

We are seeking funds for a second phase of rehab. The 116-year-old building will be brought up to modern building insulation standards, significantly increasing its energy efficiency. Older appliances will be replaced with Energy Star efficient versions, a smart thermostat will be installed, and lighting will be upgraded to modern LED fixtures and bulbs. Finally, replacing the damaged roof and siding will improve the aesthetics of the neighborhood, and help the house to be resilient in the face of future capital needs.

Cooperative houses have tremendous impact on their communities. First, they bring an active home-owner attitude to otherwise rental-dominated neighborhoods. For example, MCC member-tenants have done many house maintenance and improvement projects, building flagstone patios, adding solar water heating, etc. Second, they act as hubs of community activism. Many local organizations have been formed and have their meetings in co-op houses. Recent projects include organizing in support of Black Lives Matter and homelessness issues.

Number of unduplicated households estimated to be served by this project: 10

## HOUSING FORWARD GOALS & OBJECTIVES

2. Please check which of the following goals outlined in the Request for Proposals are met with this proposal:
- 1. Preserve, improve and expand the supply of affordable housing for homeowners and renters.
  - 2. Improve housing stability for homebuyers.

## AFFORDABLE HOUSING NEEDS

3. Describe your agency's knowledge of and experience in identifying affordable housing needs of the City of Madison.

MCC has been providing affordable housing in Downtown Madison since 1968, and is a member-run organization in which 90% of members are low-income, and members of underrepresented and marginalized groups. We know who needs affordable housing, and what they need from that housing, because we are those people, and those are our needs.

4. Please describe the anticipated demand for the proposed target populations intended to be served.

Demand for affordable cooperative housing in Downtown Madison is constant, as evidenced by waiting lists to membership at other MCC houses, including the MCC property immediately adjacent on Franklin St. We already have strong interest from people who want to move in at our anticipated opening date of August 15, 2021, although we anticipate some turnover during the interim, especially due to Members' changing plans during the coronavirus pandemic. Madison's co-op housing stock doesn't currently include any wheelchair accessible units, so the two units on Hancock Street will be a unique addition to the supply.

## AGENCY OVERVIEW

5. Describe the Agency's Mission Statement and explain how this project supports the Mission Statement.

MCC's Mission Statement is "MCC strives to improve the Madison community by providing low-cost, not-for-profit cooperative housing for very low- to moderate-income people and to be inclusive of underrepresented and marginalized groups." This project helps MCC directly provide quality housing for low-income people in Madison that is inclusive of underrepresented and marginalized groups while keeping rents low.

6. Please describe the capacity of your agency to secure the total financing necessary to complete your proposed project, and past performance that will contribute to the success of the proposed program.

The requested funding from the Housing Forward RFP is the only unsecured source of funding for this project. The remainder of the project costs will be funded through owner cash investment (5% of project costs) from MCC. No city funds will be used for acquisition, which has already been completed, or for an separate interior rehab project that is expected to be completed by the end of March. As a contingency, MCC has a construction line of credit up to \$165,000 with Summit Credit Union.

7. Please describe the agencies or development teams experience using federal HOME, CDBG or EECBG funds.

Abby Davidson is an active board member of Sunny Side Development, which applied for CDBG from the City of Madison in 2018 but did not receive funding, and has developed a working knowledge of these funds as part of that process. She is also currently applying for EECBG funding as part of another development team, which has thoroughly vetted many sources of federal funds for that project. Many of the lessons about funding eligibility, use restrictions, and compliance issues for that project can be applied to this one.

8. How does your agency reflect and engage the experiences of the target populations you serve or intend to serve, including black, indigenous, and other people of color, into your agency's operations and housing programs?

As a member-run organization, our operations and housing programs are controlled by our membership, which is a highly diverse group of people. These structures are described below, and the ones that primarily support BIPOC are the United People of Color Caucus (and associated policies, including a seat on the Board of Directors), the Annual Diversity & Inclusion Survey and report, and the Annual Discussion of Inclusivity. Our Black Lives Matter solidarity statement attempts to reflect the experience of BIPOC, and support the struggle for equity. Individual houses have additional forms of engagement, such as Audre Lorde Cooperative, which has a house mission to support the lives and needs of LGBTQ+POC.

9. Describe how your agency promotes and supports equity in internal policy and procedures and within the community and the greater Madison area.

MCC tenants are all members of the cooperative, and we are a member-run organization.

MCC-wide, the weightiest decisions are reserved for votes of the full membership of MCC, like altering the bylaws, selling or buying properties, and election or recall of officers. Other MCC-wide decisions are made by the board of directors, where all directors are also Member-Tenants, either officers (elected from among the membership), the Chairperson of The United People of Color Caucus (selected by the caucus, which is made up of all POC members who choose to participate), or house representatives (selected by their housemates). Narrower decisions are delegated to smaller standing or ad hoc bodies of members, such as the Personnel Committee. Members of each house set the house's budget, interview and select new members, and make all other decisions about house operations within a loose framework set by MCC.

MCC also has structures and policies to support members in specific cases:

- The United People of Color Caucus - Made up of all self-identified POC who wish to participate. Meets monthly to address concerns of POC. The Chairperson holds a seat on the Board of Directors. The Caucus has the power to appoint a mediator to accompany any POC involved in a grievance within MCC, to insure fairness and equity during conflict.
- Community Response Team (CRT) - Members appointed by the board to receive training and act as mediators in disputes between housemates and others. This informal process is designed to render aid, and to divert conflicts from being addressed through lease enforcement or eviction.
- MCC Safer Space Policy - Protects members and others from abuse and harassment.
- House Safer Space Policies - Houses each have their own policies in addition, or may default to the MCC policy.
- MCC Child Subsidy - Members housing children within MCC receive rent discounts.
- MCC Childcare Fund - Pays for childcare during MCC meetings so parents can fully participate in governance.

- Annual Diversity Survey - The Membership Officer annually conducts an extensive anonymous survey of members' race, ethnicity, gender, sexual orientation, socioeconomic class, and many other characteristics, as well as longform questions about their experience living in MCC. A report on this information is shared with the MCC Board and Membership.
- Annual Discussion of Diversity & Inclusivity - By policy, the Board of Directors has at least one discussion per year, the first of which is generally scheduled to follow the survey report.
- Payment Plans - Houses may approve "Regular Payment Plans" for members owing up to \$800 in rent, and the MCC Finance Committee can approve "Exceptional Payment Plans" for members owing more than \$800.
- Rent Assistance Fund - MCC members are able to set up regular donations with their monthly rent payments, and anyone can make one-time donations. When a member seeks an Exceptional Payment Plan, the Finance Committee may also apply grant money from the RFA to lower the financial burden.
- MCC Bail Fund for Nonviolent Civil Disobedience

MCC's activity in the greater Madison area is less formalized, mainly consisting of member-lead projects like fundraisers, protest support, work days, and volunteering. MCC and its houses often give support to these projects in the form of meeting space, communication support (notifying members via our monthly newsletter), and occasional small grants.

10. List Percent of Staff Turnover in 2019: 18%

11. Divide the number of resignations or terminations in calendar year 2019 by total number of budgeted positions. Do not include seasonal positions. Explain if you had 20% or more turnover rate. Discuss any other noteworthy staff retention issues or policies in place to reduce staff turnover.

In 2020 we brought on some new staff positions that were previously unfilled, reducing workload on other staff.

12. Indicate by number the following characteristics for your agency's current staff and Board of Directors.

DESCRIPTOR	STAFF	BOARD
<b>GENDER</b>		
Female	6 women, trans-men, and nonbinary	13 women, trans-men, and nonbinary
Male	5 cis-male	7 cis-male
Unknown/Other		
<b>TOTAL GENDER</b>	11	20
<b>AGE</b>		
Less than 18 yrs old		
18-59 Yrs	10	20
60 and older	1	
<b>TOTAL AGE</b>	11	
<b>RACE*</b>		
White/Caucasian	7	13
Black/African American	2	3
Asian	1	3
American Indian/Alaskan Native		
Native Hawaiian/Other Pacific Islander		
<b>MULTI-RACIAL:</b>		
Black/AA & White/Caucasian		
Asian & White/Caucasian		
Am Indian/Alaskan Native & White/Caucasian		

Am Indian/Alaskan Native & Black/AA		
Balance/Other	1	1
<b>TOTAL RACE</b>	11	20
<b>ETHNICITY</b>		
Hispanic or Latino	1	3
Not Hispanic or Latino	10	17
<b>TOTAL ETHNICITY</b>	11	20
<b>PERSONS WITH DISABILITIES</b>	1 known	2 known

\*These categories are identified in U.S. Department of Housing and Urban Development (HUD) Standards.

13. The following attachments are included with this application:

- Housing Development – Owner-Occupied (Complete Attachment A and Budget Workbook)
- Housing Development – Rental (Complete Attachment B and Budget Workbook)
- Housing Services (Complete Attachment C and Budget Workbook)
- Homebuyer Education (Complete Attachment D and Budget Workbook)

Note: Proposals for housing services should only complete Worksheets 1-3 (Agency Overview, Capital, and Expenses) in the Budget Workbook. Proposals for housing development should complete Worksheets 1-4 (Agency Overview, Capital, and Expenses, Proforma). Proposals for homebuyer education services should only complete Worksheets 1 and 5 (Agency Overview and Homebuyer Education Budget).

**PLEASE ATTACH THE FOLLOWING ADDITIONAL INFORMATION AND CHECK THE BOX WHEN ATTACHED:**

- A completed Application Budget Workbook, showing the City’s proposed financial contribution and all other proposed financing.
- A current list of Board of Directors, with home addresses included for each board member.
- For development proposals, a detailed map of the site and a second map using the AHF Affordable Housing Targeted Area Map showing the site in the context of the City.
- For development proposals, a Capital Needs Assessment report of the subject property, if the proposal is for a rehabilitation project and if the report is available at the time of application.
- For development proposals, a recent market study or analysis, if available at the time of application.
- For applicants seeking EECBG funds, an energy audit, prepared by a certified Focus on Energy auditor, if available at the time of application.
- For rental development proposals with more than one owner, a Project Organizational Chart, including ownership interest percentages.

NOTE: If an appraisal, market study, or capital needs assessment is not available at the time of application, and the proposal is funded through this RFP process, these items must be submitted to the City prior to receiving a loan agreement.

**ATTACHMENT B – Housing Development – Rental**

Type of Construction:	<input type="checkbox"/> New Construction	<input checked="" type="checkbox"/> Acquisition/Rehab
Type of Project:	<input type="checkbox"/> Multifamily Rental	<input type="checkbox"/> Senior Rental (55+ or 62+ yr. old): _____
	<input checked="" type="checkbox"/> Rental Cooperative	

Total number of units: 10

Total amount of CDD funds requested per affordable unit: \$16,857

**DEVELOPMENT TEAM OVERVIEW**

1. Please describe the development team's experience using federal HOME, CDBG or EECBG funds.

Madison Community Cooperative has long been providing affordable housing in Madison. It is relatively new to the use of federal funds and welcomes the opportunity to do so where feasible as part of cooperative housing. Abby Davidson is an active board member of Sunny Side Development, which applied for CDBG from the City of Madison in 2018 but did not receive funding, and has developed a working knowledge of these funds as part of that process. She is also currently applying for EECBG funding as part of another development team, which has thoroughly vetted many sources of federal funds for that project. Many of the lessons about funding eligibility, use restrictions, and compliance issues for that project can be applied to this one.

2. Identify all key roles in your project development team, including architect, legal counsel, property management agent, supportive services provider(s), and any other key consultants, if known.

Contact Person	Company	Role in Development	E-mail	Phone
Abby Davidson	Madison Community Cooperative	Grant Writer	abby.s.davidson@gmail.com	608-358-6951
Steve Vig	Madison Community Cooperative	Coordinating Officer	coordinatingofficer@madisoncommunity.coop	608-886-8077
Gwen Kelly	Madison Community Cooperative	Finance Officer	financeofficer@madisoncommunity.coop	734-276-9778
Fernando Perez	Madison Community Cooperative	Maintenance Coordinator	maintenancecoordinator@madisoncommunity.coop	313-949-6423
Gabe Williams	Bouril Design Studio	Architect	gabew@bourildesign.com	608-833-3400
David Sparer	Carlson Black	Attorney	david.sparer@carlsonblack.com	608-571-6984

3. Who will be responsible for monitoring compliance with federal regulations and requirements? Please describe the experience of the property management agency including trainings and/or certifications that the individual/property management agency has completed and/or attained. Please address experience in and/or plans to implement inclusive and culturally-sensitive property management and marketing practices.

The MCC Membership Staff, under the supervision of the Membership Officer, will be responsible for monitoring compliance.

Madison Community Cooperative (MCC) is a non-profit housing cooperative with approximately 200 members living in 11 houses in downtown Madison, and the diverse set of members at each house bear many of the responsibilities of property management. MCC's education department organizes training for its members and staff, with most training provided by outside professionals, supplemented by internal discussions and listening sessions focusing on those most affected. Recent training programs include: Fair Housing Law and Cooperatives, Board Roles and Responsibilities, Ethical Personnel Practices, Racial Justice, and Mediation & Conflict Resolution. MCC invests in continuing education for its staff, officers, and board members and includes \$18,500/year in its budget for education.

Individual staff of MCC have additional relevant training and experience:  
Fernando Perez, Maintenance Coordinator

- B.A. History, Wayne State University
- Attended Historic Restoration program, Living Trades Academy, through the Michigan Historic Preservation Network, Detroit MI
- BUILD business training program
- Previously a co-owner of Building Cooperatively, a minority-owned and operated construction cooperative in Detroit, MI
- Historic restoration experience includes leaded and stained glass, wood and steel windows, plaster and lath, painting, and research techniques based off NPS Preservation Briefs

Damontae January, Membership Coordinator

- BS in Social Work, U.W. - Whitewater
- MS in Counseling Psychology, U.W. - Platteville
- Visionary and Co-Founder of Casa Del Rainbow LLC, which seeks to increase desperately needed housing availability and services for homeless and at risk LGBTQIA+ folx

Steve Vig, President

- Tenant Landlord Law, Tenant Resource Center (TRC), Madison
- Racial Justice Workshop, YWCA, Madison

Gwen Kelly, Finance Officer

- Racial Justice Training, YGB Coalition
- Diversity & Inclusion in the Workplace, U.W. - Madison
- PhD in Anthropology, U.W. - Madison

MCC staff and officers have experience in inclusive and culturally sensitive property management and are committed to marketing the co-op to attract a diverse population which is one of the things that makes co-op houses rewarding to live in.

**SITE INFORMATION**

4. Address of Proposed Site: 19 N Hancock St, Madison, WI 53703
5. If applicable, please identify in which of the following areas on the Affordable Housing Targeted Area Map your proposal is located:
  - Preferred Area (New Construction Only)
  - Super-Preferred Area (New Construction Only)
  - Eligible Area (New Construction & Acquisition/Rehabilitation)
  - Targeted Rehab Area (Ineligible for New Construction, but preferred for acquisition & rehabilitation)
6. Explain why this site was chosen and how it helps the City to expand affordable housing opportunities where most needed. Describe the neighborhood and surrounding community. Provide the streets of the closest major intersection as well as known structures/activities surrounding the site that identifies where the site is located. (Attach a map indicating project location. Include one close-up map of the site and a second map using the Affordable Housing Targeted Area Map to show the site in the context of the City.)

The property is ideal for cooperative housing as it is located in the heart of downtown, only three blocks east of the State Capitol. It is less than a block from the E. Washington corridor and close to many major transit lines, jobs, and amenities.

The property shares a property line with another co-op, Avalon, in its backyard. Having co-ops directly adjacent means more opportunities for mutual support. For example, sharing dinners between two houses means that more house dinners happen on more days per week. Additionally, each house has unique resources the other does not. For example, Avalon has a garden, and Hancock has a parking lot. Locating new cooperative houses near existing cooperative houses provides opportunities for beneficial synergies like this.

7. Identify the neighborhood in which the site is located: Capitol Neighborhood, James Madison Park
8. Date Site Control Secured (if applicable): 8/13/2018
9. Identify the distance the following amenities are from the proposed site.

Type of Amenities & Services	Name of Facility	Distance from Site (in miles)

Full Service Grocery Store	Festival Foods	0.4
Public Elementary School	Lapham Elementary	0.8
Public Middle School	O'Keeffe Middle	1.7
Public High School	East High	2.0
Job-Training Facility, Community College, or Continuing Education Programs	Madison College - Commercial Ave	2.4
Childcare	Creative Learning Preschool	0.2
Public Library	Madison Central Library	0.5
Neighborhood or Community Center	Madison Senior Center	0.6
Full Service Medical Clinic or Hospital	Meriter Hospital	1.7
Pharmacy	Walgreens	0.3
Public Park or Hiking/Biking Trail	James Madison Park	0.2
Banking	UW Credit Union	0.2
Retail	State Street Mall	0.5
Other (list the amenities):	Capital Fitness	0.1
	US Post Office	0.3

10. What is the actual walking distance between the proposed site and the nearest seven-day per week transit stops (i.e. weekday and weekends)? List the frequency of service at that bus stop during both the weekday and on the weekends (e.g., hourly, ½ hour, commuter hours). List the bus route(s) numbers, seven-day transit stop street intersections and describe any other transit stops (include street intersections and schedule) located near the proposed site. Please do not include full bus schedules.

Bus line 6 is 0.1 mi away and runs eastbound and westbound every ½ hour both weekdays and weekends.  
 Bus line 7 is 0.2 mi away and runs eastbound and westbound every ½ hour both weekdays and weekends.  
 Bus lines 2, 4, and 5 are 0.2 mi away and run eastbound and westbound every ½ hour on weekdays and hourly on weekends.

11. Describe the historical uses of the site. Identify if a Phase I Environmental Site Assessment has been completed and briefly summarize any issues identified. Identify any environmental remediation activities planned, completed, or underway, and/or any existing conditions of environmental significance located on the proposed site.

The house was built in 1904 and has historically been 3-unit rental housing for many years. Environmental testing has been completed for asbestos, lead, and radon. Asbestos and lead were found at levels typical of houses from this era. Radon was within EPA limits. Remediation activities have been planned but not completed as they are within the scope of the general contractor's work. While a Phase I Environmental Site Assessment has not yet been ordered, we do not anticipate any additional environmental issues to be uncovered.

12. Current zoning of the site: DR1 An interactive version of the Zoning Map can be found linked [here](#).

13. Describe any necessary planning and zoning-related approvals (rezoning, conditional use permit, demolition, etc.) that must be obtained for the proposal to move forward.

Conditional Use Permit was granted 1-29-2020.

**CITY AND COMMUNITY ENGAGEMENT PROCESSES**

14. Have you presented to the City's Development Assistance Team (DAT)? If so, please summarize the staff comments to your proposal and reference the date of the presentation. If not, what is the anticipated date of the DAT presentation?

DAT meeting was completed prior to Conditional Use application on 8-19-2019. Staff comments included a few suggestions that were addressed by the architect in the final construction drawings. No staff comments relate to, or are incompatible with, the current proposed exterior rehab and appliance upgrades.  
 The Planning Division's conclusion on the project was as follows: "The Planning Division believes that the standards for Conditional Uses can be found met with this proposal. Given that fact that the proposal is not only a renovation of an existing building, but makes only minor bulk changes to the building while providing alternative housing options for residents (which falls under the category of "Missing Middle Housing"), and has a rough density



of 40 dwelling units per acre, Staff also believe the proposal is consistent with the Comprehensive Plan and Downtown Plan.”

15. If applicable, describe the neighborhood and community input process, including notification to and input from the nearby Neighborhood Association(s), already underway and planned. Describe the response of the alderperson in which the proposal is located, as well as the adjacent alderperson(s), if applicable. What issues or concerns with the project has been identified, if any? How will those be addressed?

Alder Patrick Heck, Capitol and James Madison Neighborhood associations, and Central Business Improvement District were notified 9/18/2019. Alder is supportive of the project.

#### TENANT SELECTION, AFFIRMATIVE MARKETING & BARRIERS TO ENTRY

16. Describe your plans to incorporate flexible tenant selection criteria for households who are connected to supportive services, in order to provide housing opportunities for persons or families who would otherwise face common obstacles obtaining housing (e.g., poor credit, negative rental history, criminal conviction records, etc.). Specifically outline how this proposal embraces the City of Madison Tenant Selection Best Practices (Attachment B-1 of the RFP) and provides the maximum feasible flexibility in tenant selection to the general population and supportive service units.

As stated below the unit mix is 60% below 50% CMI, and 40% below 60% CMI. We already do an income verification when members sign their contracts, and we will address the income requirements also during the membership process. Besides this income requirement, there are actually no other requirements or benchmarks to pass to be allowed to membership. As discussed below, our methods of selection are community-based, with guiding principles of inclusivity and cooperation. Our security deposit is very affordable, at \$200 per lease. Occupancy criteria is minimum 1 person per bedroom, and all bedrooms allow at least 2 persons. Note that units are individual bedrooms. Units are rented on a first come, first served basis.

MCC uses flexible tenant selection criteria, criteria unlike any for-profit landlord. Our rental application for Hancock does not include use of credit checks, rental history, or criminal conviction background checks on any applicants. This eliminates many of the major obstacles to obtaining housing. In cases where an application is denied, MCC provides houses with a Notice of Denial form, and requires all houses to provide legal notice.

MCC complies with the Violence Against Women Act, and additionally enforces the MCC Safer Space Policy and House Safer Space Policies, as well as having individuals within MCC available to provide assistance. (e.g. Provide temporary housing at another site or enforceable behavior agreements and monitoring.)

Our primary member/tenant preference is cooperation. As our houses are run cooperatively, nearly all of the labor needed to keep the house running is done by the members. Hired staff take care of the property management, and the maintenance and repair, but the cleaning and upkeep, the accounting of rents and utilities, all of that is done by the members themselves. Meals are shared, and common spaces are enjoyed by all. Therefore the preferences in member (tenant) selection are to prefer folks who are interested in sharing in the community, and interested and willing to contribute to the community in whatever way they can.

When there are more applicants interested than there are rooms available, we keep a list of potential members to contact in case of future vacancies. That list is not a list of approved applicants, but a list of people who can begin the membership application process when a room becomes available. In case there are more approved applicants than rooms available at a given moment in time, the approved tenants will be offered a contract on a first-come, first-served basis.

17. Describe your affirmative marketing strategy and any other strategies to engage your intended population. Specifically outline how you will embrace the City of Madison’s Affirmative Marketing Plan Best Practices (Attachment B-2 of the RFP), especially for Asian and Latinx populations which tend to be under-represented in CDD Completion Reports.

Our mission statement is, “MCC strives to improve the Madison community by providing low-cost, not-for-profit cooperative housing for very low- to moderate-income\* people and to be inclusive of underrepresented and marginalized groups. (Very low- to moderate-income! as defined by HUD standards for Dane County).” This mission is how we affirmatively market to engage our intended population.

MCC has long-since recognized historical patterns of unequal access to housing and has been working for decades to affirmatively market to diverse populations, and people who have historically been marginalized and excluded from equal access to desirable and affordable housing.

We maintain a list of local community organizations that we contact in our outreach, including the Homeless Services Consortium, Progress Center for Black Women, YWCA, Black Chamber of Commerce, Madison Network of Black Professionals, OutReach LGBTQ+ Community Center, Community Action Coalition, Neighborhood House Community Center, and the Tenant Resource Center, and the City of Madison’s Neighborhood Resource Teams.

To reach out especially to Asian communities, we contact Hmong Madison, the Sikh Society of Madison, the Nepali American Friendship Association, Open Doors for Refugees, and Hmong Madison. To connect with Latinx communities we contact Centro Hispano, UNIDOS of Wisconsin, Orgullo Latinx LGBTQ+ of Dane County, and the Latino Chamber of Commerce. For the house under current renovation to include ADA accessible units, we will also affirmatively reach out to the Aging and Disability Resource Center of Dane County, and Movin’ Out Inc., two organizations serving people with disabilities in Madison.

Marketing materials are and will be inclusive, diverse, culturally-sensitive, and representative of target populations. MCC will use the Equal Housing Opportunity logo on all materials and notices related to leasing and marketing and will display the Fair Housing poster in the MCC office. Maintenance and Membership will continue to work with differently abled members of MCC to determine their needs and to continue to provide accommodations to those in need throughout all cooperatives under our umbrella.

18. How will you affirmatively market to populations that will be identified as least likely to apply? Please reference successful past practices, relationships with agencies and/or marketing materials used.

MCC is a diverse member-led organization. Our communities are 40% non-white, and 60% non-male according to our annual diversity and inclusion survey. This demonstrates the success of our existing practices. Our outreach and marketing happens at the house level, where a diverse community of members advertise widely in physical venues and online, as well as reach out to local community organizations (see the list above in Q17 ).

These demographic statistics compare quite favorably to the demographics for this neighborhood. According to the Madison Neighborhood Indicators Projects, the demographics in the Capitol Neighborhood are 82.0% White, 5.8% Black or African American, 5.2% Asian, 2.7% Other Races or Multiracial, 4.3% Hispanic or Latino, 5.2% Seniors, and 1.4% Families with Children.

Our process of member (tenant) selection is mainly through conversations and interviews, and the selection criteria are focused on bringing in members who will contribute to the community in diverse ways. Because cooperation functions best when we complement each other's strengths and weaknesses, we are not marketing or membershiping for people who are already like us. Our website and advertising materials are also not about our “amenities” but rather about the community, about our shared labor and mutual support.

This decentralized and community-led process of marketing and membershiping has been an effective strategy for bringing diverse members and a community that is interested in contributing to that mutual support. As described above, our current marketing and outreach strategies are already affirmatively marketing to populations who have been historically marginalized, and those strategies have been quite successful.

19. For the following development team roles, please identify the number and/or percentage of women and persons of color employed by that company.

<b>Company</b>	<b>Role in Development (if different from above)</b>	<b># or % Employees who are Women</b>	<b># or % Employees who are Persons of Color</b>
n/a	Developer	n/a	n/a
Madison Community Cooperative	Property Manager	57.1	28.6
Bouril Design Studio	Architect	28.6	28.6
n/a	Service Provider	n/a	n/a

20. Please describe the development team’s experience with contracting with Minority- and Women-Owned Business Enterprises (M/WBE). Beyond standard construction bidding practices, what efforts have been made by the development team to ensure that M/WBE businesses are awarded contracts, and what efforts will be made to ensure that M/WBE businesses are given plentiful opportunities to be competitive when bidding on this proposal.

MCC has already begun to engage contractors for construction bids and are actively seeking M/WBE to submit bids on the project. We have recently engaged with a local, woman-owned window restoration contractor. We have also consulted the Madison Targeted Business Enterprise Directory found on the City of Madison Civil Rights website and will invite all relevant contractors to submit bids.

21. Beyond standard construction bidding practices, to what efforts will the development team commit to ensure that women and people of color represent a meaningful share of the construction labor force working on this proposal. Describe how the development team will commit to exceeding the City’s contract labor utilization goal of 7% for persons of color working on the job site.

MCC strongly encourages its contractors to use subcontractors that employ women and people of color. From preliminary feedback from several contractors we have reached out to, we have identified several potential contractors that have stated they would be able to staff and subcontract as needed to meet the labor utilization goal.

Furthermore, any work not done by outside contractors as described above will be done by MCC’s in-house maintenance worker group, which is composed of the Maintenance Coordinator as supervisor and contracted members. The current demographic composition of MCC’s paid staff is 40% non-white and of its members is 40% non-white. As such, MCC expects to easily meet the 7% labor utilization goal for persons of color on the job site.

**SITE AMENITIES**

22. Describe the interior and exterior common area amenities that will be available to tenants and/or guests (e.g., community rooms, exercise room, business center, tot lot, grill area, etc.). What parking will be provided and at what cost? Will the cost vary by CMI level? For family developments, will there be a year-round indoor play space for children?

Indoor common amenities available to all residents include a large ADA accessible first floor with every required amenity accessible. The project also includes bike stalls, laundry, and storage space in the basement. Exterior amenities include front porches on the first and second floor, an ADA accessible ramp in the front, and two parking stalls (one ADA) behind the building.

23. Describe the interior apartment amenities, including plans for internet service (and cost to tenants, if any) and a non-smoking indoor environment throughout the building.

Internet service, local wired/wireless net, and at least one house computer will be supplied for all residents at no additional cost. Building is non-smoking throughout. On-site laundry is free of charge. Cleaning and maintenance supplies are included. Food plan is \$100/mo and includes shared meals, staples, seasonal produce, and other food items as decided by the membership.

**PROPOSAL TIMELINE**

24. Please list the estimated/target completion dates associated with the following activities/benchmarks to illustrate the timeline of how your proposal will be implemented.

Activity/Benchmark	Estimated Month/Year of Completion
1 <sup>st</sup> Neighborhood Meeting (Due by 1/4/21) [Target Month/Date] (if applicable)	9/2019
1 <sup>st</sup> Development Assistance Team/ Meeting (Due by 1/7/21) [Target/Actual Month/Date]	8/2019
Submission of Land Use Application (if applicable)	12/2019
Plan Commission Consideration	1/2020
Urban Design Commission Consideration, if applicable [Target Month/Date]	n/a
Complete Financing	11/2020
Acquisition/Real Estate Closing	8/2018
Rehab or New Construction Bid Publishing	11/2020
New Construction/Rehab Start	5/2021
Begin Lease-Up/Marketing	4/2021

New Construction/Rehab Completion	8/2021
Certificates(s) of Occupancy Obtained	8/2021
Complete Lease-Up	8/2021
Request Final Draw of CDD Funds	8/2021

**HOUSING INFORMATION & UNIT MIX**

25. Provide the following information for your proposed project. List the property address along with the number of units you are proposing by size, income category, etc. If this is a scattered site proposal, list each address separately with the number of units you are proposing by income category, size, and rent for that particular address and/or phase. Attach additional pages if needed.

ADDRESS #1:		19 N Hancock St					Projected Monthly Unit Rents, Including Utilities				
% of County Median Income (CMI)	Total # of units	# of Bedrooms					\$ Rent for Studios	\$ Rent for 1 BRs	\$ Rent for 2 BRs	\$ Rent for 3 BRs	\$ Rent for 4+ BRs
		# of Studios	# of 1 BRs	# of 2 BRs	# of 3 BRs	# of 4+ BRs					
≤30%	0	0	0	0	0	0					
40%	0	0	0	0	0	0					
50%	6	6	0	0	0	0	465				
60%	4	4	0	0	0	0	465				
<b>Affordable Sub-total</b>	<b>10</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>					
80%	0	0	0	0	0	0					
Market*	0	0	0	0	0	0					
<b>Total Units</b>	<b>10</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	Notes: "Studio" units are SRO co-op units. Room rent is an average and may vary slightly by room size				

\*40% = 31-40% CMI; 50% = 41-50% CMI; 60% = 51-60% CMI; 80% = 61-80% CMI; Market = >81% CMI.

26. Utilities/amenities included in rent:  Water/Sewer  Electric  Gas  Free Internet In-Unit  
 Washer/Dryer  Other: Supplies (e.g. toiletries, cleaning supplies)

**REAL ESTATE PROJECT DATA SUMMARY**

27. Enter the site address (or addresses if scattered sites) of the proposed housing and answer the questions listed below for each site.

	# of Units Prior to Purchase	# of Units Post-Project	# Units Occupied at Time of Purchase	# Biz or Residential Tenants to be Displaced	# of Units Accessible Current?	Number of Units Post-Project Accessible?	Appraised Value Current (Or Estimated)	Appraised Value After Project Completion (Or Estimated)	Purchase Price
Address:	19-21 N Hancock								
	3	10	3	0	0	2	550,000	700,000	479900

28. Identify any existing buildings on the proposed site, noting any that are currently occupied. Describe the planned demolition of any buildings on the site.

There is one house on the site, currently unoccupied. There is no garage or shed. No buildings will be demolished.

29. Will any business or residential tenants be displaced temporarily or permanently? If so, please describe the relocation requirements, relocation plan and relocation assistance that you will implement or have started to implement.

The property is currently vacant. No tenants will be displaced.

#### ENERGY EFFICIENCY, RENEWABLE ENERGY & SUSTAINABLE DESIGN

30. What is your organization's track record of developing projects that incorporate extraordinary sustainable, energy efficient, and/or green building design techniques? Please list any awards, industry standards or third-party certifications achieved on projects developed in the past ten years, LEED®, WELL, Passive House, etc.

Environmental responsibility is a core component of MCC's mission. Wherever possible, MCC implements measures to reduce the environmental impact of its houses in ways that reduce costs and improve the quality of life for its members.

Some examples of these measures include:

- Significant capital investment into window winterizing and window replacement over the last decade
- Shared food programs include bulk buying, local sourcing, and CSA memberships, reducing the amount of packaging used as well as the embodied energy in transportation
- Backyard composting of organic materials
- Hypatia has two solar systems, Lothlorien has a passive solar water heating system
- All houses have installed LED light bulbs, water saving toilets and plumbing fixtures
- Many houses have committed to purchasing environmentally friendly, recycled, non-toxic, fragrance free, and ethically sourced house supplies.

31. Please describe how this proposed development will contribute to the City's goal of 100% renewable energy and zero-net carbon emissions (originally adopted March 21, 2017). For more information, see [100% Renewable Madison Report](#).

The 100% Renewable Madison Report focuses mainly on city operations. That said, there are several ways that this development will lead to reduced carbon emissions, for example:

- Co-op living encourages shared usage of many electricity consuming daily functions, such as lighting in living areas, cooking appliances, and other electronic devices such as TV's. This leads to significantly reduced overall electricity consumption compared to the equivalent number of separated apartment units, each with their own kitchens and living areas.
- By reducing the number of parking stalls from 3 stalls to 2 stalls (1 ADA), the CO2 emissions of building occupant vehicles will be reduced by one-third.
- Increased wall insulation, roof, and window upgrades are collectively expected to reduce load on the gas-fired boiler, which will reduce natural gas consumption and in turn lead to modest reductions in CO2
- Toilets and fixtures throughout the building will be completely replaced with water saving options that reduce water usage. Fans in restrooms will be Energy Star rated on a timer.
- Appliances will be Energy Star Rated throughout the property
- MCC performs regular maintenance on appliances and equipment, ensuring their energy efficiency throughout their lifespan.
- Installation of a smart thermostat to properly regulate heating throughout.
- Bike stalls located on site encourages carbon-free transportation

The installation of a solar PV array was also investigated. Taking into account the forthcoming 116' tall building at the corner of Hancock and E. Washington, the shading on the property's roof was modeled by Full Spectrum Solar to be ~30%. This level of shading would disqualify the array from Focus on Energy subsidy, and would increase the payback period. Thus, it was decided that it would be more efficient for MCC to add solar on other houses it owns which have excellent solar potential. If awarded funding, MCC expects to be in a financial position to begin pursuing this goal in 2021.

32. Please describe the proposed project's energy efficiency goals. For new construction proposals, please attach a copy of the confirmation page demonstrating that your organization has submitted an [Initial Application](#) for Focus on Energy's Energy Design Assistance program. For rehabilitation proposals, please attach documentation confirming that your organization has reached out to Focus on Energy's [multifamily program](#). Identify any third party certification, such as LEED®, WELL, Passive House or similar, that will be sought.

The scope of the exterior rehabilitation project is heavily focused on radically improving the energy efficiency of the 1904 building while maintaining as much historic character as possible, decreasing energy losses, and improving occupant comfort. MCC has reached out to a Focus on Energy trade ally to perform an energy audit which is expected to be completed by the end of December 2020.

Improvements that will contribute to increased energy efficiency include:

- Roofing will be replaced and upgraded significantly. Attic will be insulated, well vented, and leaks will be sealed. Energy audit findings may reveal further issues with roof or attic. Bids are pending (expected Dec 2020). Attic door/hatch will be insulated to prevent any stacking or loss of heating/intrusion of cold air into living spaces.
- Exterior rigid foam insulation will be added to the building envelope, significantly increasing the effective R-value of the wall assembly to match modern new construction energy code requirements.
- Windows will be replaced with modern double pane insulated windows if it is determined that it is infeasible to restore the original historic wood windows. Preliminary inspection of original wood windows indicates that work has previously been done to upgrade the tracks and weatherstripping with vinyl upgrades, in a satisfactory manner. Original wood windows may be reglazed, painted, and any additional weatherstripping as determined by the Energy Audit (expected Dec 2020) findings. Single pane combination storm windows could then be retrofitted to the existing aluminum screen tracks currently present. Bids are pending for wood window restoration and combination storm windows, both expected to arrive in mid to late Dec 2020.
- Lighting will be retrofitted or replaced with LED fixtures and/or bulbs.
- All appliances will be replaced with Energy Star compliant versions that are also ADA-accessible.
- A smart thermostat will be installed to reduce heating energy use.

33. What building design and HVAC considerations will your team include to enhance community resiliency for building inhabitants in the face of a potential future pandemic?

The building has radiant heat, which does not recirculate contaminated air as do forced air systems.

Each MCC house has its own COVID-19 policy and MCC has a model "House COVID-19 Precautions Policy" for them to work from.

Cooperatives encourage frequent cleaning of common spaces through a labor system, where each member contributes a set number of hours per week towards house chores. During this pandemic, houses have added extra hours required for additional cleaning shifts.

Exhaust fans will be updated significantly and maintained to ensure proper ventilation.

34. Describe this development's approach to accessibility, including the number and percent of accessible units proposed for each of level of accessibility. Will this development meet or exceed the minimum requirements? For rehab, describe the accessibility modifications that will be incorporated into the existing development.

The entire first floor will be wheelchair accessible, including the kitchen, bathroom, living room, and two SRO units. This comprises 20% of the total units in the project. The ADA units and their associated first floor common areas will meet and/or exceed minimum standards for ADA compliance in all respects.

An ADA ramp provides access to the front porch, providing access to residents and visitors with mobility requirements. This ramp connects to a path alongside the building, linking it to the parking lot.

The newly replaced driveway includes one ADA accessible and one standard size space in the rear of the building. As such, 50% of parking at this property is ADA van accessible.

ADA appliances that are Energy Star compliant will be installed throughout the kitchen, countertops are ADA accessible, and doors and windows will be easily operable per ADA guidelines.

The second floor bathroom is designed with Universal Design in mind, so as to be easily usable for all occupants. Grab bars and other ADA retrofits are included. While the second floor does not have wheelchair access, and the bathroom could not be increased in size to allow for full ADA renovation, an ADA compliant toilet and other fixtures are included on the basis of accessibility and Universal Design so as to accommodate tenants and visitors of all abilities.

Door knobs throughout the property are lever handle. Door knob height is ADA compliant for all doors throughout. Signage throughout the house will be placed and kept throughout the building at ADA compliant height.

35. For proposals that include rehabilitation, have you completed a capital needs assessment for this property? If so, summarize the scope and cost; attach a copy of the capital needs assessment if available.

MCC had an independent home inspection done at the time of purchase, and our in-house industry experts worked with an architect and general contractors to quantify costs associated with the rehabilitation. If the project is awarded, we will obtain a traditional CNA, and have received a quote from an local WHEDA-approved CNA provider for this purpose.

APPLICANT & PROJECT NAME **Madison Community Cooperative, 19 N Hancock Cooperative Phase II Rehab**

## 1. AGENCY OVERVIEW

This chart describes your agency's total budget for 3 separate years. Where possible, use audited figures for 2019

Actual.

Account Description	2019 Actual	2020 Budget	2021 Proposed
<b>A. PERSONNEL</b>			
Salary (including benefits)	239,042	171,409	243,435
Taxes			
<b>Subtotal A</b>	<b>239,042</b>	<b>171,409</b>	<b>243,435</b>
<b>B. OPERATING</b>			
All "Operating" Costs	189,512	192,459	223,494
<b>Subtotal B</b>	<b>189,512</b>	<b>192,459</b>	<b>223,494</b>
<b>C. SPACE</b>			
Rent/Utilities/Maintenance	85,770	60,495	105,500
Mortgage/Depreciation/Taxes	138,424	119,761	120,750
<b>Subtotal C</b>	<b>224,194</b>	<b>180,256</b>	<b>226,250</b>
<b>D. SPECIAL COSTS</b>			
Subcontracts	63,656	68,548	62,500
Deposits to Reserves			
Debt Service (Excl Mortgage)			
Other: (Specify)			
<b>Subtotal D</b>	<b>63,656</b>	<b>68,548</b>	<b>62,500</b>
<b>Total Operating Expenses:</b>	<b>716,403</b>	<b>612,672</b>	<b>755,679</b>
<b>REVENUE</b>			
Direct Public Grants	-	4,400	29,242
Direct Public Support			
Indirect Public Support			
Miscellaneous Revenue	90,047	3,602	500
Restricted Funds Released			
Program Income	712,632	709,601	700,464
<b>Total Income</b>	<b>802,679</b>	<b>717,603</b>	<b>730,206</b>
<b>Net Income</b>	<b>86,276</b>	<b>104,931</b>	<b>(25,473)</b>

\* Fiscal year runs from June of the previous year through May of the listed year. Thus, 2020 Budget figures are Actual Expenses and run from June 2019 through May 2020.

\* Salary figures include payroll tax

\* Includes PPP reimbursable loan

APPLICANT & PROJECT NAME:

**Madison Community Cooperative, 19 N Hancock Cooperative Phase II Rehab**

2. CAPITAL BUDGET

Enter ALL proposed project funding sources.

**FUNDING SOURCES**

Source	Amount	Non-Amortizing (Y/N)	Rate (%)	Term (Years)	Amort. Period (Years)	Annual Debt Service
Permanent Loan-Lender Name:						
	\$ -					
Subordinate Loan-Lender Name:						
Subordinate Loan-Lender Name:						
Tax Exempt Loan-Bond Issuer:						
	\$ -					
AHP Loan	\$ -					
City-AHF Loan	\$ 89,398	N				
City-HOME Loan	\$ -					
City-CDBG Loan	\$ -					
City-EECBG Loan	\$ 70,743	N				
Other-Specify Lender/Grantor:						
Other-Specify Lender/Grantor:	\$ -					
Other-Specify Lender/Grantor:	\$ -					
Historic Tax Credit Equity	\$ -					
Deferred Developer Fees	\$ -					
Owner Investment	\$ 8,429					
Other-Specify:						
<b>Total Sources</b>	<b>\$ 168,570</b>					

<b>Construction Financing</b>			
Source of Funds	Amount	Rate	Term (Months)
Construction Loan-Lender Name:			
<b>Summit Credit Union</b>	\$ 165,000	5.00%	24
Bridge Loan-Lender Name:			
Historic Tax Credit Equity:			
<b>Total</b>	<b>\$ 165,000</b>		

Estimated pricing on sale of Federal Tax Credits:   
 (if applicable)

Estimated pricing on sale of State Tax Credits:   
 (if applicable)



Remarks Concerning Project Funding Sources:

Funding sources associated with acquisition, and with a separate rehab project which will be complete prior to start of this project, are not part of this project and are not considered here.

APPLICANT:

**Madison Community Cooperative, 19 N Hancock Cooperative Phase II Rehab**

3. PROJECT EXPENSES

Enter the proposed project expenses

Acquisition Costs	Amount
Land	\$0
Existing Buildings/Improvements	\$0
Other (List)	
	\$0
<b>Construction:</b>	
Construction/Rehab Costs	\$118,078
Construction Profit	\$7,828
Construction Overhead	\$7,828
General Requirements	\$0
Construction Supervision	\$1,120
FF&E/Personal Property	\$0
Demolition	\$2,680
Site Work	\$0
Landscaping	\$0
Letter of Credit/P&P Bond	\$0
Construction Contingency	\$11,807
Other (List)	
	\$0
<b>Architectural &amp; Engineering</b>	
Architect - Design	\$0
Architect - Supervision	\$0
Engineering	\$0
Other (List)	
	\$0
<b>Interim/Construction Costs</b>	
Builder's Risk/Property Insurance	\$0
Construction Loan Interest	\$0
Construction Loan Origination Fee	\$195
Real Estate Taxes	\$0
Park Impact Fees	\$0
Other Impact Fees	\$0
Other (List)	
	\$0
<b>Financing Fees</b>	
Cost of Bond Issuance	\$0
Permanent Loan Origination Fee	\$0
Credit Enhancement	\$0
Other Permanent Loan Fees	\$0
<b>Soft Costs</b>	
Appraisal	\$450
Market Study	\$0

<--- If applicable, please list the costs attributable to "above and beyond" green building/Net Zero construction components included in the Construction Costs line item:

Windows \$23,436
Insulation \$33,615
Energy Star items \$13,692

Total Cost:  
\$70,743

Environmental Reports	\$1,205
Survey	\$1,200
Permits	\$0
Lease-Up Period Marketing	\$0
Accounting/Cost Certification	\$0
Title Insurance and Recording	\$0
Relocation	\$0
FF&E	\$0
Capital Needs Assessment (if rehab)	\$6,000
Legal	\$1,200
Other (List)	
Energy audit	\$550
<b>Fees:</b>	
Bridge Loan Fees	\$0
Organizational Fees	\$0
Syndication Fees	\$0
Total Development Fee	\$0
Developer Overhead	\$0
Other Consultant Fees	\$8,429
Other (List)	
	\$0
<b>Reserves Funded from Capital:</b>	
Lease-Up Reserve	\$0
Operating Reserve	\$0
Replacement Reserve	\$0
Capital Needs Reserve	\$0
Debt Service Reserve	\$0
Escrows	\$0
<b>Other: (List)</b>	
	\$0
<b>TOTAL COSTS:</b>	<b>\$168,570</b>

APPLICANT:

**Madison Community Cooperative, 19 N Hancock Cooperative Phase II Rehab**

4. PROJECT PROFORMA

Enter total Revenue and Expense information for the proposed project for a 30 year period.

	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	Year 16
Gross Income	55,826	57,501	59,226	61,003	62,833	64,718	66,660	68,659	70,719	72,841	75,026	77,277	79,595	81,983	84,442	86,976
Less Vacancy/Bad Debt	1,675	1,725	1,777	1,830	1,885	1,942	2,000	2,060	2,122	2,185	2,251	2,318	2,388	2,459	2,533	2,609
<b>Income from Non-Residential Use*</b>	<b>960</b>	<b>989</b>	<b>1,018</b>	<b>1,049</b>	<b>1,080</b>	<b>1,113</b>	<b>1,146</b>	<b>1,181</b>	<b>1,216</b>	<b>1,253</b>	<b>1,290</b>	<b>1,329</b>	<b>1,369</b>	<b>1,410</b>	<b>1,452</b>	<b>1,496</b>
<b>Total Revenue</b>	<b>55,112</b>	<b>56,765</b>	<b>58,468</b>	<b>60,222</b>	<b>62,029</b>	<b>63,889</b>	<b>65,806</b>	<b>67,780</b>	<b>69,814</b>	<b>71,908</b>	<b>74,065</b>	<b>76,287</b>	<b>78,576</b>	<b>80,933</b>	<b>83,361</b>	<b>85,862</b>
<b>Expenses:</b>																
Office Expenses and Phone	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Real Estate Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Advertising, Accounting, Legal Fees	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Payroll, Payroll Taxes and Benefits	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Property Insurance	2,795	2,887	2,983	3,081	3,183	3,288	3,396	3,508	3,624	3,744	3,867	3,995	4,127	4,263	4,403	4,549
Mtc, Repairs and Mtc Contracts	1,046	1,081	1,116	1,153	1,191	1,230	1,271	1,313	1,356	1,401	1,447	1,495	1,544	1,595	1,648	1,702
Utilities (gas/electric/fuel/water/sewer)	6,226	6,432	6,644	6,863	7,090	7,324	7,565	7,815	8,073	8,339	8,615	8,899	9,193	9,496	9,809	10,133
Property Mgmt	37,774	39,021	40,308	41,638	43,012	44,432	45,898	47,413	48,977	50,594	52,263	53,988	55,770	57,610	59,511	61,475
Operating Reserve Pmt	448	463	478	494	510	527	544	562	581	600	620	640	662	683	706	729
Replacement Reserve Pmt	448	463	478	494	510	527	544	562	581	600	620	640	662	683	706	729
Support Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other (List)																
Supplies	927	958	989	1,022	1,056	1,090	1,126	1,164	1,202	1,242	1,283	1,325	1,369	1,414	1,460	1,509
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Expenses</b>	<b>49,664</b>	<b>51,303</b>	<b>52,996</b>	<b>54,745</b>	<b>56,552</b>	<b>58,418</b>	<b>60,346</b>	<b>62,337</b>	<b>64,394</b>	<b>66,519</b>	<b>68,715</b>	<b>70,982</b>	<b>73,325</b>	<b>75,744</b>	<b>78,244</b>	<b>80,826</b>
<b>Net Operating Income</b>	<b>5,447</b>	<b>5,462</b>	<b>5,472</b>	<b>5,477</b>	<b>5,477</b>	<b>5,471</b>	<b>5,460</b>	<b>5,443</b>	<b>5,419</b>	<b>5,389</b>	<b>5,351</b>	<b>5,305</b>	<b>5,251</b>	<b>5,189</b>	<b>5,117</b>	<b>5,036</b>
<b>Debt Service:</b>																
First Mortgage	4,236	4,236	4,236	4,236	4,236	4,236	4,236	4,236	4,236	4,236	4,236	4,236	4,236	4,236	4,236	4,236
Second Mortgage	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other (List)																
<b>Total Debt Service</b>	<b>4,236</b>	<b>4,236</b>	<b>4,236</b>	<b>4,236</b>	<b>4,236</b>	<b>4,236</b>	<b>4,236</b>	<b>4,236</b>	<b>4,236</b>	<b>4,236</b>	<b>4,236</b>	<b>4,236</b>	<b>4,236</b>	<b>4,236</b>	<b>4,236</b>	<b>4,236</b>
<b>Total Annual Cash Expenses</b>	<b>53,900</b>	<b>55,539</b>	<b>57,232</b>	<b>58,981</b>	<b>60,788</b>	<b>62,654</b>	<b>64,582</b>	<b>66,573</b>	<b>68,630</b>	<b>70,755</b>	<b>72,951</b>	<b>75,218</b>	<b>77,561</b>	<b>79,980</b>	<b>82,480</b>	<b>85,062</b>
<b>Total Net Operating Income</b>	<b>1,211</b>	<b>1,226</b>	<b>1,236</b>	<b>1,241</b>	<b>1,241</b>	<b>1,235</b>	<b>1,224</b>	<b>1,207</b>	<b>1,183</b>	<b>1,153</b>	<b>1,115</b>	<b>1,069</b>	<b>1,015</b>	<b>953</b>	<b>881</b>	<b>800</b>
<b>Debt Service Reserve</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Deferred Developer Fee</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Cash Flow</b>	<b>1,211</b>	<b>1,226</b>	<b>1,236</b>	<b>1,241</b>	<b>1,241</b>	<b>1,235</b>	<b>1,224</b>	<b>1,207</b>	<b>1,183</b>	<b>1,153</b>	<b>1,115</b>	<b>1,069</b>	<b>1,015</b>	<b>953</b>	<b>881</b>	<b>800</b>
AHF City Interest Loan	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

\*Including commercial tenants, laundry facilities, vending machines, parking spaces, storage spaces or application fees.

<b>DCR Hard Debt</b>	1.29	1.29	1.29	1.29	1.29	1.29	1.29	1.28	1.28	1.27	1.26	1.25	1.24	1.22	1.21	1.19
<b>DCR Total Debt</b>	1.29	1.29	1.29	1.29	1.29	1.29	1.29	1.28	1.28	1.27	1.26	1.25	1.24	1.22	1.21	1.19

**Assumptions**

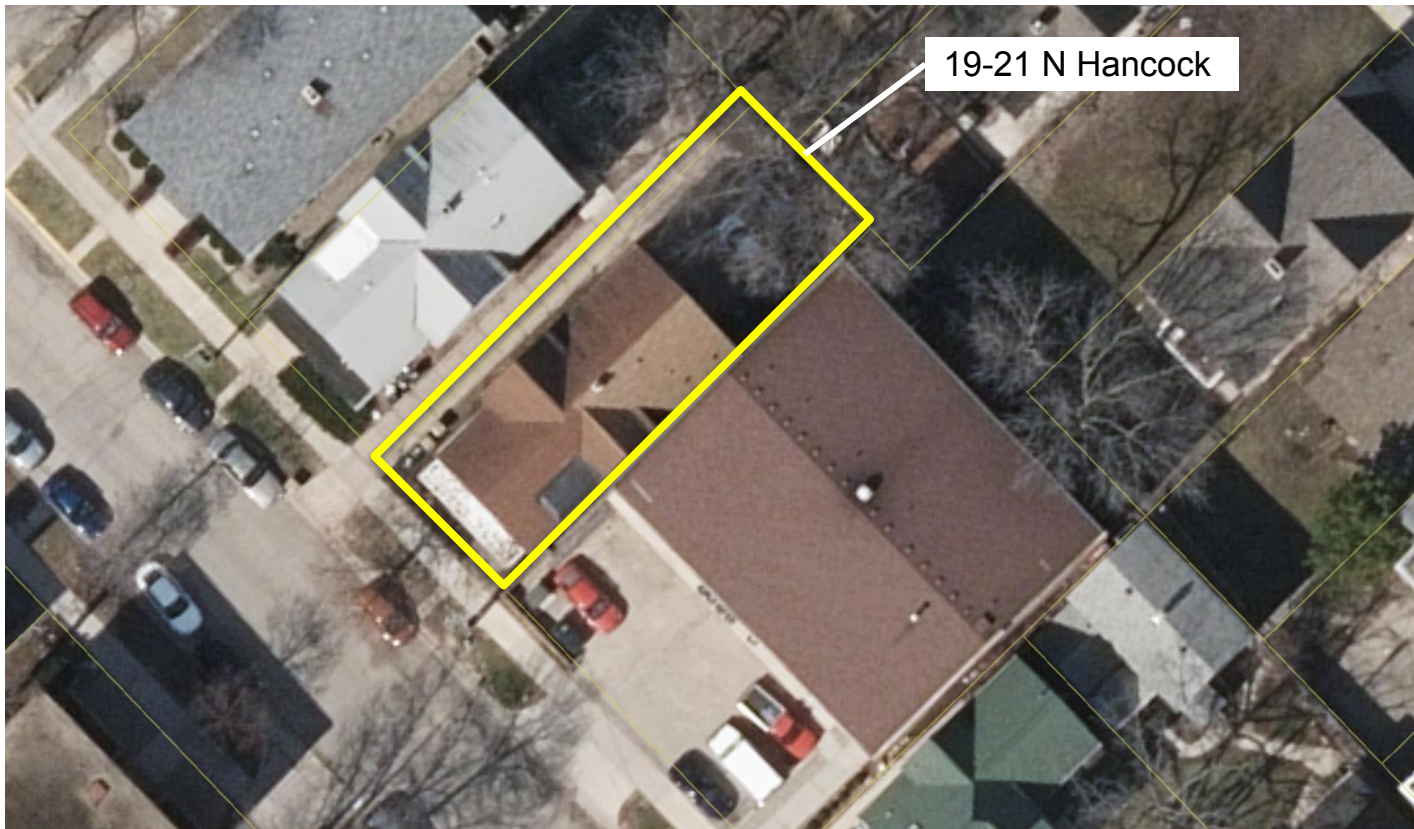
Vacancy Rate	3.0%
Annual Increase Income	3.0%
Annual Increase Expenses	3.3%

\*Please list all fees (per unit per month) and non-residential income:

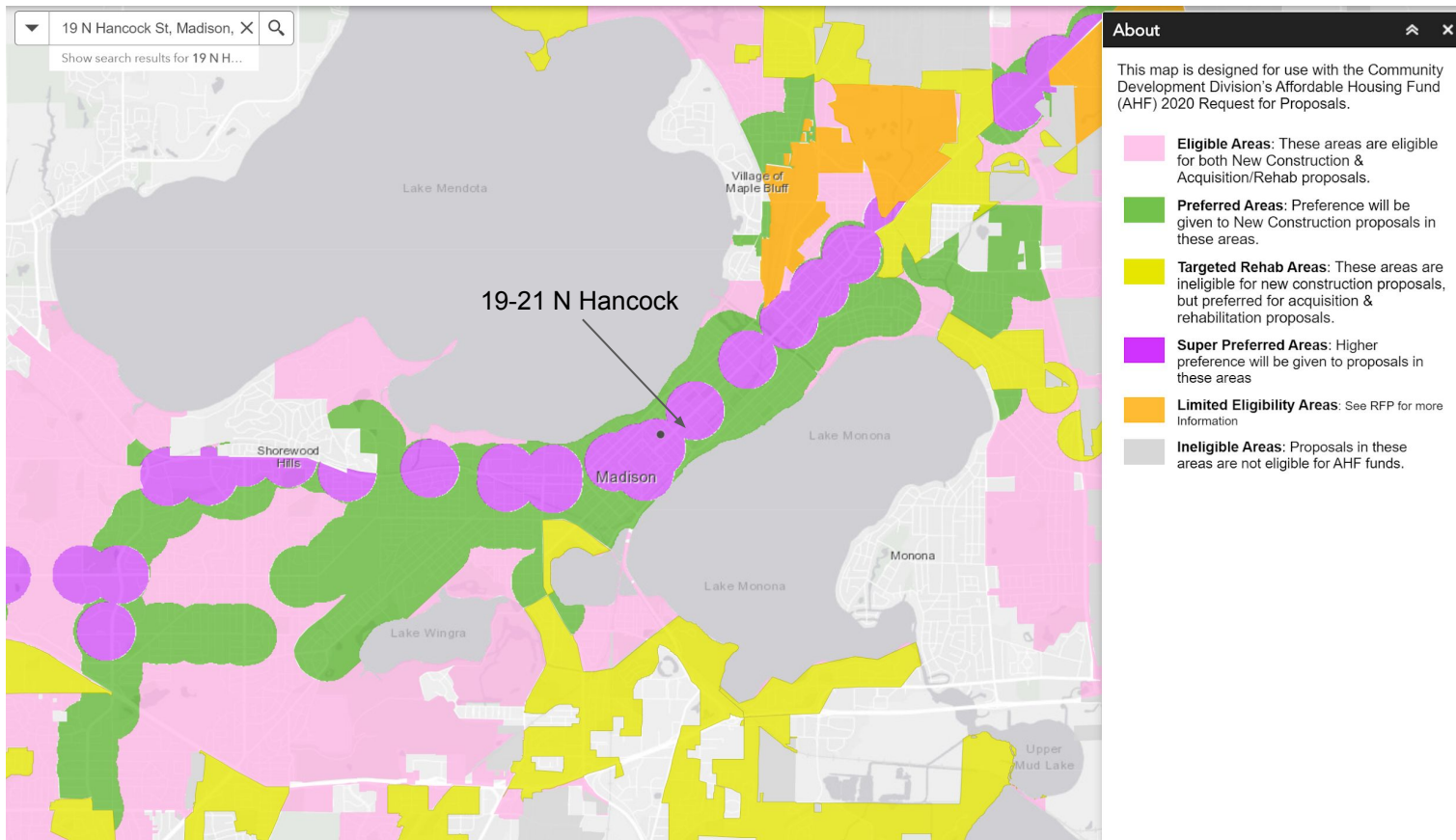
Non-residential use is 2 parking spots @ \$40/mn each. Utilities includes internet. Food plan is \$100, but excluded throughout for clarity.

**Other**

The house payment to MCC (\$44805 in year 1) covers all MCC-wide expenses including personnel, maintenance other than small repairs, office expenses, legal, accounting, education, reserves other than house reserves, etc and is listed under "Property Management" with two items removed: insurance, which is listed separately, and the house's default 6% share of MCC-wide debt service (\$4236), which is itemized under "First Mortgage" so that a DSCR can be calculated. Sharing debt equally per capita amongst all MCC houses in this manner allows MCC to keep rents equally affordable at all houses.



Attachment 1 - Site Map



Attachment 2 - Targeted Area Map

---

**Focus on Energy - Madison Community Cooperative**

---

**Steve Craker** <steve.craker@focusonenergy.com>

Thu, Nov 12, 2020 at 3:08 PM

To: Abby Davidson &lt;abby.s.davidson@gmail.com&gt;, Adam Wagner &lt;adam.wagner@focusonenergy.com&gt;

Cc: Coordinating Officer &lt;coordinatingofficer@madisoncommunity.coop&gt;, MCC Finance Officer &lt;financeofficer@madisoncommunity.coop&gt;

Hi Abby,

Just following up with you on this New Construction / Renovation project. I am including my standard language below for starting the process for Prescriptive New Construction projects. Please review and let me know what questions you may have.

We have changed some of our approach to New Construction – especially with lighting. I have attached our current 2020 application and below I have attached links to our catalogs for available incentives:

A couple of key points to keep top of mind:

Applications must be received within 60 days of project completion (or by Jan. 31, 2021 for projects completed in December).

Application Pg. 1 & 2 filled out completely -- Signed & Dated

Invoices

Additional documentation as required (see catalogs)

HVAC / Plumbing Catalog

[https://www.focusonenergy.com/sites/default/files/inline-files/2020\\_HVAC\\_Plumbing\\_Catalog\\_FINAL\\_051820.pdf](https://www.focusonenergy.com/sites/default/files/inline-files/2020_HVAC_Plumbing_Catalog_FINAL_051820.pdf)

Lighting – page 21 for interior and pages 24-26 cover most of the exterior

[https://www.focusonenergy.com/sites/default/files/inline-files/2020\\_Lighting\\_Catalog\\_FINAL%288-5-20%29.pdf](https://www.focusonenergy.com/sites/default/files/inline-files/2020_Lighting_Catalog_FINAL%288-5-20%29.pdf)

I pulled out the Interior lighting requirements for review!

For lighting – we are really hoping to push the design team – the incentive is based on improvement of the Lighting Power Density over the 2015 IECC code. In order to show that creativity – we are asking for the design team to provide a COMCHECK lighting evaluation or an equivalent Lighting Power Density Calculation.



**General Requirements:** Incentives are available for new construction and major renovations where Lighting Power Density (LPD) thresholds would apply. Projects participating in this offering are **NOT** eligible for individual interior lighting measures.

Required documentation (COMcheck™, floorplan and/or lighting layout) must be signed by a lighting professional with one or more of the following credentials:

- Lighting Certification (LC) designation from National Council on Qualifications for the Lighting Professions (NCQLP)
- Certified Lighting Efficiency Professional (CLEP) from the Association of Energy Engineers (AEE)
- Certified Lighting Management Consultant (CLMC)
- State of Wisconsin Professional Engineer (PE) License



### NEW CONSTRUCTION LIGHTING POWER DENSITY (LPD) REDUCTION

**Requirements:**

- Complete Table B in the "Lighting Incentive Catalog Supplemental Data Sheet" for this measure.
  - For "Square Footage", enter total square footage of interior space being illuminated.
  - For "Hours of Use (HOU)", enter hours from table on page 41 corresponding to the appropriate sector and building type.
  - For "Baseline W/ft²", enter Baseline Lighting Power Density (LPD) value from COMcheck™ report or table on page 41.
  - For "New System Wattage", enter total wattage for interior lighting solution as defined in IECC 2015.
  - The "New System W/ft²" is: "New System Wattage" / "Square Footage."
  - The "W/ft² Reduced" is: "Baseline W/ft²" - "New System W/ft²."
  - The "kWh Reduced" is: ("Square Footage" x "HOU" x "W/ft² Reduced") / 1000.
  - The "Incentive Rate" is: \$0.04 / kWh Reduced.
  - The "Requested Incentive" is: "kWh Reduced" x "Incentive Rate."
- Incentives are based on current Wisconsin Energy Code (IECC 2015 with Wisconsin Amendments found in SPS Chapter 363) Lighting Power Density (LPD) requirements.
- All installations are expected to meet current IESNA recommendations for delivered light level and uniformity. Compliance is the responsibility of the installer/designer.
- Incentive is for interior lighting only.
- Installed Lamps purchased at participating instant discount retailers disqualify the LPD measure.
- If your Building type Baseline LPD is not listed in the LPD table on page 41, contact an Energy Advisor for assistance.
- Upon project completion, the follow must be included in addition to standard application requirements:
  - Documentation to verify square footage as-built (COMcheck or professional floorplan with dimensions)
  - Documentation to verify total connected wattage as-built (COMcheck or professional lighting layout indicating where fixtures are installed PLUS fixture cut sheets for all installed fixtures)

NEW CONSTRUCTION INCENTIVES			
Measure Description	Code	Incentive	Unit
Lighting Power Density (LPD) better than code requirements	N14948*	\$0.04	kWh Reduced
* Supplemental Data Sheet needed			

### HOW TO APPLY EXAMPLE

(A) SQUARE FOOTAGE	(B) HOU (FROM TABLE ON PG. 41)	(C) BASELINE W/FT² (FROM COMCHECK OR TABLE ON PG. 41)	(D) NEW SYSTEM WATTAGE (W)	(E) NEW SYSTEM W/FT² (D/A)	(F) W/FT² REDUCED (C - E)	(G) KWH REDUCED (A x B x F / 1000)	(H) INCENTIVE RATE (\$/KWH/ REDUCED)	(I) REQUESTED INCENTIVE* (G x H)
43,000	3,239	0.87	24,100	0.56	0.31	43,176	\$0.04	\$1,727.03

This should get things started! Please contact me if you have any questions.

Thanks,



Steve Craker | Trade Ally Energy Advisor

[steve.craker@focusonenergy.com](mailto:steve.craker@focusonenergy.com)

O 715.720.2020

M 715.829.8175

725 West Park Avenue

Chippewa Falls, WI 54729

[Quoted text hidden]

4 attachments

image002.png  
28K





image004.png  
17K



image006.png  
19K





Abby Davidson <abby.s.davidson@gmail.com>

---

## Fwd: Energy Audit

---

**Perez, Maintenance Coordinator** <maintenancecoordinator@madisoncommunity.coop> Tue, Nov 24, 2020 at 3:40 PM  
To: Abby Davidson <abby.s.davidson@gmail.com>, Gwen Kelly Finance Officer <financeofficer@madisoncommunity.coop>, Maintenance Officer <maintenanceofficer@madisoncommunity.coop>, Steve Vig he-him MCC Coordinating Officer <coordinatingofficer@madisoncommunity.coop>

Should be a really cool procedure they do if anyone else wants to be there to check it out!!!

----- Forwarded message -----

From: **Torrance Kramer** <torrancek@a-aexteriors.com>  
Date: Tue, Nov 24, 2020 at 3:38 PM  
Subject: Energy Audit  
To: <maintenancecoordinator@madisoncommunity.coop>

Hello Perez,

Thank you for your interest in our energy audit services.

We are scheduled for a Comprehensive Home Performance with ENERGY STAR energy audit on December 9th at 12:30.

Your audit cost for the audit is \$550. Please have a check available at the end of the audit. We do not cash you check until we send you the report.

Attached is a document in preparation for your audit. Please review.

Let us know if you have any questions.

PLEASE LET ME KNOW THAT YOU HAVE RECEIVED THIS.

Thank you,  
-Torrance

### **Accurate-Airtight Exteriors**


Torrance Kramer  
President  
CEM®, BECxP, BPI® BA MF, LEED® AP  
Cell: 608-217-3487  
Office: 866-582-4320  
[torrancek@a-aexteriors.com](mailto:torrancek@a-aexteriors.com)

[www.TheAirBarrier.com](http://www.TheAirBarrier.com)

--

Mx Perez  
MCC Maintenance Coordinator  
Cell:313-949-6423

---

 **What to expect at your audit\_A-AE.pdf**  
170K

Attachment 4

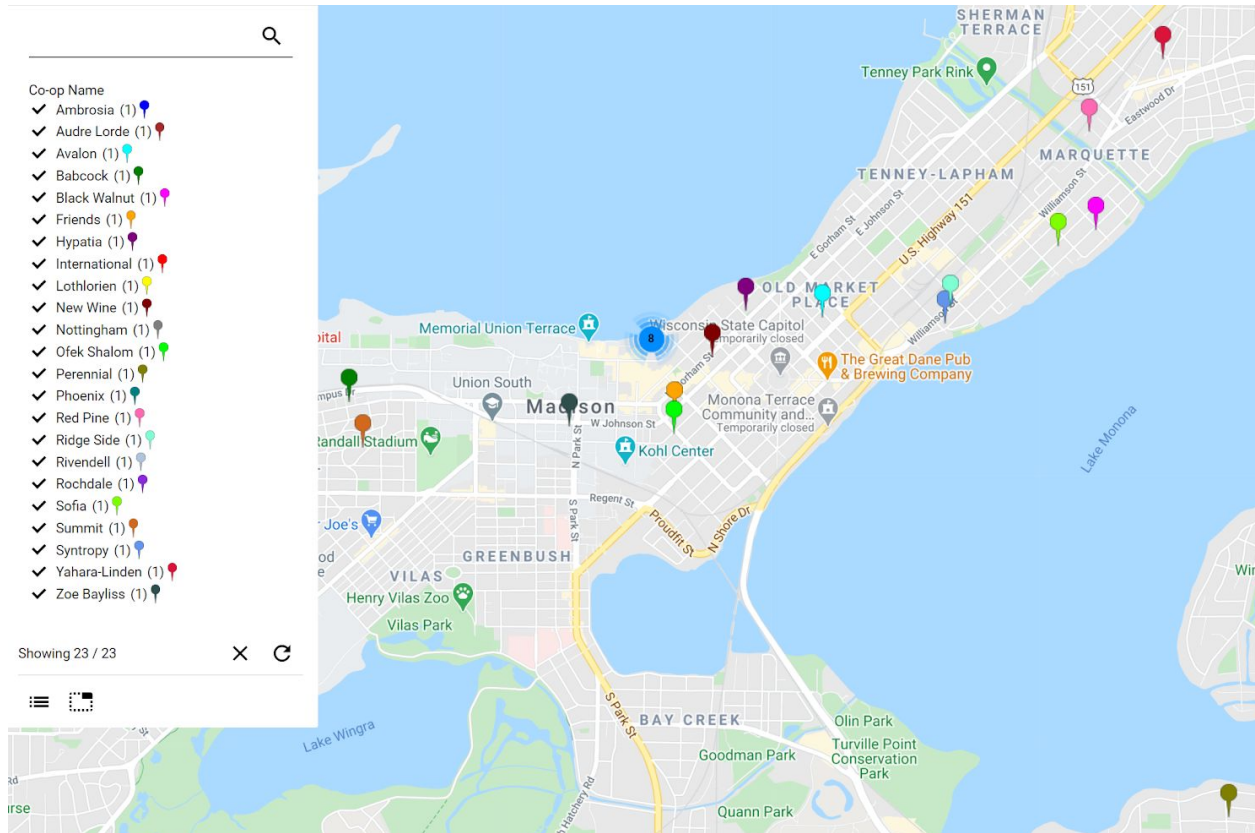
Madison Community Cooperative - Current Board Members

<b>Seat</b>	<b>Legal Name</b>	<b>Pronouns</b>	<b>Address</b>
TUPOCC Chair	Aman Abhishek	he/him	225 East Lakelawn Place, Madison, WI 53703
Coordinating Officer	Steve Vig	he/him	411 N Pinckney Street, Madison, WI 53703
Membership Officer	Jim Ellis Nangombe	he/him	140 West Gilman Street, Madison, WI 53703
Membership Officer	Miho Kim	she/her	140 West Gilman Street, Madison, WI 53703
Maintenance Officer	Levi Moos	he/him	225 East Lakelawn Place, Madison, WI 53703
Finance Officer	Gwen Kelly	she/her	225 East Lakelawn Place, Madison, WI 53703
Education Officer	David Sanyasi Vestlie	he/him	1239 Spaight Street, Madison, WI 53703
Ambrosia Rep	Rena Newman	they/them	225 East Lakelawn Place, Madison, WI 53703
Ambrosia Rep	Rachel Sassella	she/her	225 East Lakelawn Place, Madison, WI 53703
Avalon Rep	Anya Piotrowski	she/her	20 North Franklin Street, Madison, WI 53703
Friends Rep	Dahlia Jones	she/her	437 W. Johnson St., Madison, WI 53703
Hypatia Rep	Maddie Batzli	they/them	411 N Pinckney Street, Madison, WI 53703
International Rep	Aesasbi Chhetri	she/her	140 West Gilman Street, Madison, WI 53703
International Rep	Lily Cohn	she/her	140 West Gilman Street, Madison, WI 53703
Lothlorien Rep	Andrew Fox	she/her	244 West Lakelawn Place, Madison, WI 53703
Lothlorien Rep	Madeline Maldonado	she/her	244 West Lakelawn Place, Madison, WI 53703
Ofek Rep	Heron Splinter	he/him	122 North Bassett Street, Madison, WI 53703
Phoenix Rep	Sidney Edwards	he/him	636 Langdon Street, Madison, WI 53703
Syntropy Rep	Rachel Peller	she/her	812 Jenifer Street, Madison, WI 53703

## Attachment 5 - Market Analysis

### Cooperative Market Comparables - Rent Calculation

The following data shows market comparable rents for cooperative housing SRO units near 19 N Hancock. Monthly rent levels for cooperative housing SRO units were calculated based on comparable units in rental co-ops in Madison. A citywide survey was conducted by Madison Area Cooperative Housing Alliance (MACHA) for a presentation given to the City of Madison Housing Strategies Committee on 8/27/2020. The survey gathered housing statistics on several features of housing co-ops including their rental rates. This information is presented below.



Co-op Name	Address	# of Units	Rent Range Low	Rent Range High
<b>Hypatia</b>	<b>411 Pinckney St</b>	<b>12</b>	<b>\$382</b>	<b>\$612</b>
<b>Syntropy</b>	<b>812 Jenifer St</b>	<b>8</b>	<b>\$475</b>	<b>\$475</b>
Lothlorien	244 W Lakelawn Pl	31	\$425	\$562
Sofia	1239 Spaight St	7	\$352	\$525
Audre Lorde	625 N Frances St	15	\$392	\$441
<b>Friends</b>	<b>437 W Johnson St</b>	<b>12</b>	<b>\$315</b>	<b>\$500</b>

Ambrosia	225 E Lakelawn Pl	27	\$398	\$681
<b>Avalon</b>	<b>20 N Franklin St</b>	<b>8</b>	<b>\$434</b>	<b>\$507</b>
International	140 W Gilman St	26	\$331	\$446
Ofek Shalom	122 N Bassett St	10	\$342	\$403
Phoenix	636 Langdon St	24	\$321	\$686
<b>New Wine</b>	<b>123 W Gorham St</b>	<b>9</b>	<b>\$430</b>	<b>\$508</b>
Red Pine	212 Merry St	6	\$425	\$425
Summit	1820 Summit Ave	14	\$414	\$622
Rivendell	622 N Henry St	9		
Nottingham	146 Langdon St	21	\$225	\$320
Yahara-Linden	2117 Linden Ave	6	\$319	\$422
Babcock	1936 University Ave	24	\$420	\$470
Rochdale	138 W Gorham St	14		
Zoe Bayliss	915 W Johnson St	31	\$617	\$904
Black Walnut	1353 Rutledge St	5	\$300	\$500
Ridge Side	839 Williamson St	9	\$625	\$756
Perennial	5318 Hoboken Rd	10	\$380	\$425





The five houses in bold are selected as the most comparable with respect to geographic location, neighborhood, property type, and property condition.




<b>Co-op Name</b>	<b>Address</b>	<b># of Units</b>	<b>Rent Range Low</b>	<b>Rent Range High</b>	<b>Average rent including utilities</b>
Hypatia	411 Pinckney St	12	\$382	\$612	\$482
Syntropy	812 Jenifer St	8	\$475	\$475	\$475
Friends	437 W Johnson St	12	\$315	\$500	\$438
Avalon	20 N Franklin St	8	\$434	\$507	\$471
New Wine	123 W Gorham St	9	\$430	\$508	\$470
<b>Averages</b>			<b>\$407</b>	<b>\$520</b>	<b>\$467</b>




Average rent per unit across the five most comparable co-ops is \$467/month including all utilities. **Our target average rent for 19 N Hancock is very similar at \$465/mn.** As a newly remodeled house in an excellent location in the heart of downtown, we would expect the units to be competitive.

## General Market Comparables - Rent Calculation

The closest general market competition to cooperative housing includes rooms for rent within multi-bedroom rental units. The following is a comprehensive list of current rooms for rent in or near the subject property that are of similar property types (e.g. older multi-unit houses, not new construction high rises) and were accessed on 11/19/2020:

Address	Rent	Utilities / Parking included?	Source
307 E Gorham St	\$500	None	<p>★ Great Private Room in Awesome Apt <span style="float: right;">×</span></p> <p>\$500 1BR </p> <p>image 1 of 12</p>  <p>2020-11-04 15:20 <a href="#">more info</a> <a href="#">view posting</a></p>
E. Johnson & Butler	\$525	Heat/electric /water, internet	<p>★ Room in 3BR <span style="float: right;">↶</span></p> <p>\$525 </p> <p>image 1 of 4</p>  <p>2020-10-27 00:13 <a href="#">more info</a> <a href="#">view posting</a></p>

<p>412 Wisconsin Ave</p>	<p>\$750</p>	<p>Heat/electric /water, internet</p>	<p>★ Bedroom Available 12/1! \$750 </p> <p>image 1 of 5</p>  <p>2020-09-24 13:55 <a href="#">more info</a> <a href="#">view posting</a></p>
<p>Gilman &amp; Carroll</p>	<p>\$950</p>	<p>Heat/electric /water, internet</p>	<p>★ Lovely Furnished Flat, all Utils incl. \$950 2BR </p> <p>image 1 of 5</p>  <p>2020-10-19 12:05 <a href="#">more info</a> <a href="#">view posting</a></p>
<p>916 E Gorham</p>	<p>\$500</p>	<p>Heat/ water, electric/internet are additional \$30/mn</p>	<p>★ 1br Sublet in a 3br apartment. Cheap! \$500 a month! \$500 3BR </p> <p>image 1 of 9</p>  <p>2020-11-03 15:03 <a href="#">more info</a> <a href="#">view posting</a></p>

<p>Williamson &amp; S. Patterson</p>	<p>\$650</p>	<p>None</p>	<p>★ One bedroom in a unique 3 bedroom apartment on Willy St.</p> <p>\$650 3BR</p> <p>image 1 of 6</p>  <p>2020-11-03 11:53 <a href="#">more info</a> <a href="#">view posting</a></p>
<p>127 Langdon St</p>	<p>\$600</p>	<p>None</p>	 <p><b>\$600</b> PRIVATE ROOM SUBLET, 600/Month GREAT DEAL,... Madison, WI</p>
<p>135 Langdon St</p>	<p>\$767</p>	<p>None</p>	<p>★ Room for Rent on Langdon St Available NOW</p> <p>\$767</p>  <p>2020-10-03 10:47 <a href="#">more info</a> <a href="#">view posting</a></p>



<b>Average rooms w/ utilities</b>	\$689		
<b>Average rooms no utilities</b>	\$629		
<b>2021 HUD Fair Market Rent - Dane County SRO</b>	\$667		

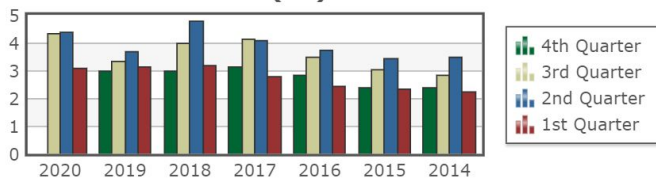
At \$465/mn, the 19 N Hancock property will be 70% of the 2021 Dane County FMR for an SRO unit size. Current market rates for room rentals not including utilities average \$629/mn and range from \$500/mn to \$767/mn. Room rentals including utilities average \$689/mn and range from \$525 to \$950. All of these numbers are higher than our target average rent of \$465/mn, which includes all utilities, internet, laundry, and toiletries.

**Conclusion: The 19 N Hancock property, as well as cooperative housing in general, represents an excellent value in the subject neighborhood.**

### Housing Demand Forecast

Vacancy rates are a metric that is used to better understand rental housing demand. MGE publishes statistics quarterly that indicate “The percentage of apartments in MGE's service area that appear to be vacant because the electric service is inactive or the service has been moved to the owner's name.” While vacancy rates appear to have risen very slightly (0.75-1%) year over year for the past two quarters, overall vacancy remains considerably lower than 7%, which would indicate a balanced market. Therefore, it is still a ‘landlord’s market’ in Madison.

**Madison Area Rental Vacancy Rates (%)**



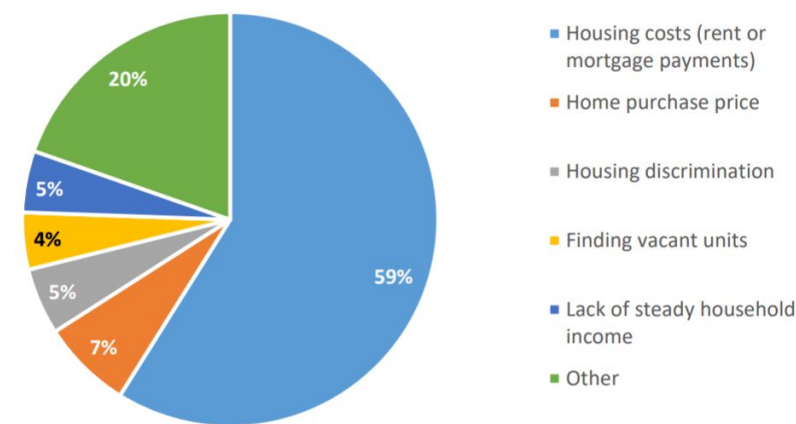
**Rental Vacancy Rates - Numeric Summary**

Quarter	2020	2019	2018	2017	2016	2015
4		3.00	3.00	3.15	2.82	2.39
3	4.31	3.31	3.96	4.12	3.46	3.05
2	4.36	3.68	4.78	4.07	3.71	3.43
1	3.06	3.15	3.20	2.79	2.43	2.33

Source: [MGE Multifamily Rental Vacancy Rates, Third-Quarter 2020](#)

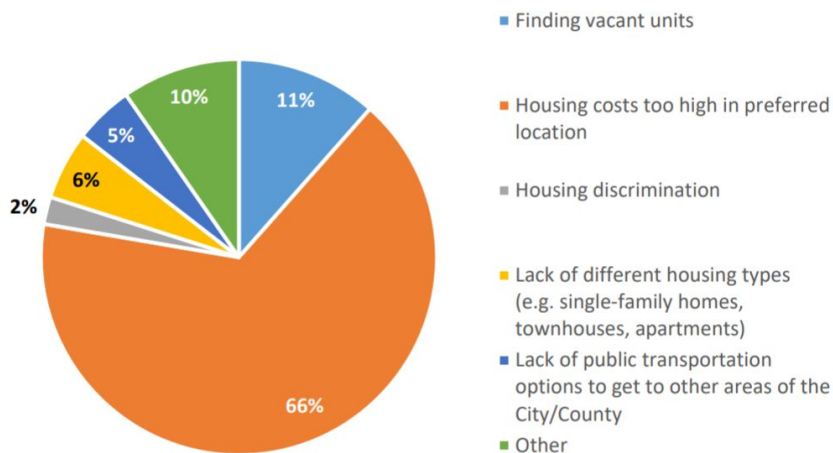
According to community surveys conducted as part of the City of Madison Consolidated Plan for 2020-2024, high housing costs are identified as the top barrier to finding and maintaining housing in Madison. Similarly, high housing costs in the preferred location is identified as the top barrier to finding housing in residents' areas of choice. This is especially true in the central areas of the city such as the James Madison Park neighborhood.

**Figure CS1: What is the most significant barrier to people finding and maintaining housing in Madison and Dane County?**



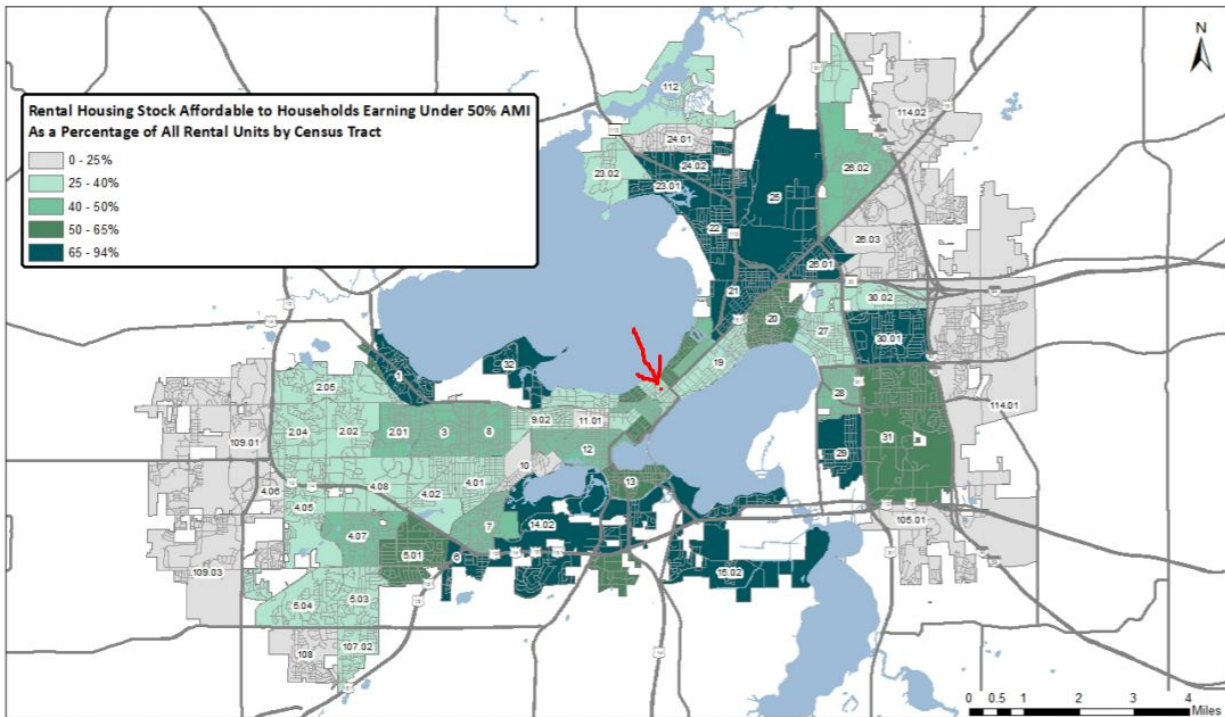
Source: [City of Madison Consolidated Plan for 2020-2024](#), Appendix A, p12

**Figure CS2: What is the most significant barrier to finding housing in your area of choice in Madison and Dane County?**



Source: [City of Madison Consolidated Plan for 2020-2024](#), Appendix A, p13

Additionally, the supply of affordable housing varies by location. As indicated in the City of Madison Community Development Division’s report “Impediments to Fair Housing Choice”, only 25-40% of all housing rental stock in the subject property’s census tract is affordable to <50% AMI households. In other words, the most accessible, desirable, and central locations in Madison also have the smallest percentage of units that are affordable to low-income families. As shown in the map below, the central location of the subject property—indicated by the red arrow, is far less affordable than locations on the outskirts of the City.



Source: [City of Madison Impediments to Fair Housing Choice](#), p98

**Conclusion:** Even if unprecedented amounts of affordable housing were to be developed in the immediate term near our project, it would be only a drop in the bucket of the vast need for affordable housing in Madison and the James Madison Park neighborhood.

# Madison Community Cooperative 19 N Hancock Cooperative Phase II Rehab

---

Response Submission Due Date: January 6, 2021 NOON

## **Instructions to Applicants:**

Please respond ***briefly and succinctly*** to the questions below in-line, unless otherwise specified (e.g. additional documentation requested). Maximum 1/3 a page per question. Please use this Word document to record your answers and return this completed document to [cddapplications@cityofmadison.com](mailto:cddapplications@cityofmadison.com). Please cc: [etabakin@cityofmadison.com](mailto:etabakin@cityofmadison.com). We ask that you refrain from submitting additional documentation not specifically requested at this time or using alternative formats.

## **Questions:**

### **Land Use and Community Engagement**

1. Were window replacements contemplated in the land use application submittal and/or conditional use permit?

The original plan only included replacing four windows due to changes in the floorplan. Restoration of the existing hundred-year-old wood windows is less expensive and more efficient than replacement, but building-wide window rehabilitation was outside of our original budget reach.

### **Social and Racial Equity**

1. Research has shown standard Affirmative Marketing practices appear to be ineffective in reaching renters from communities of color. Please elaborate on the approach that your organization will use beyond standard practices to affirmatively market and provide outreach to prospective Black, Asian, and/or Latinx renters.

MCC is a membership organization with an extremely diverse membership, in which current members are in charge of selecting new members. That means the people reviewing applications and interviewing potential members are 40% People of Color, 60% LGBTQ+, and 92% low- and very-low income. MCC members include a higher proportion of Black, Asian, Latinx people than the surrounding community, and having that representation in word of mouth outreach helps us reach targeted groups, and to prevent bias in membership decisions.

The cost of even low-income housing is often a barrier for POC. Because MCC's rent and security deposits are even lower than most affordable housing, we mitigate this problem. In addition, by providing high-speed internet access, household supplies, food and meal programs, furniture, and other community benefits, we alleviate other barriers to housing that disproportionately affect People of Color.

## **Affirmative Marketing and Tenant Selection**

1. Please specify how long you will hold open ADA-accessible units during vacancies before opening the units to the general population. Will you maintain a preference list for these units?

We will maintain a preference list for the ADA units. In the case of an unexpected vacancy, we will hold ADA-accessible units for one month before opening them to the general population. Because house members can freely move between rooms, if a general population member moves into an ADA unit, they can seamlessly shift to another room to facilitate access for new members needing ADA units. If applicable, we will utilize short-term leases to minimize vacancy loss in the case of an unexpected vacancy prior to a newly signed long-term lease.

2. Please describe if a separate waitlist or a waitlist preference will be given to certain target populations, including for ADA-accessible units.

A separate waitlist will be maintained for ADA-accessible units.

3. For what reasons are income-qualified people denied if rental history, credit, and criminal are not tenant selection criteria when there is an available unit?

The most common reason for denying applicants is their dates or duration of stay. A person trying to sign a lease for the time an opening occurs is generally prioritized, as is someone planning to stay through the usual lease term, the end of a semester, or longer.

MCC's membership processes seek members who will complement the community in each house. To this end, we ask questions about applicants' ability to live cooperatively, including their ability to live with people of traditionally marginalized and oppressed communities (BIPOC, LGBTQ+, and others), their willingness to contribute to house labor systems (chores), and their ability to handle interpersonal conflict constructively.

The second most common reason applicants are denied membership is that they demonstrate inability to live in community. (e.g. We've had members say, "I can live with gay people if they keep it to themselves, and don't do gay stuff in front of me," and "I'm looking forward to living with nubile young women.")

## **Financing**

1. If applicable, explain how receiving CDD funds will lower contract rents and/or make this project more affordable to residents, compared to if it did not receive CDD funds.

As a member-funded non-profit cooperative, all money spent by MCC has typically come from rent. Therefore, all non-rent funding sources to MCC directly lower rent for our members. As real estate prices and construction costs have increased faster than our

members' incomes in recent years, maintaining and expanding our housing while keeping rents affordable has become increasingly difficult. With this project specifically, many improvement projects were outside of our ability without raising rent, so we would be forced to forgo or delay them. CDD funds will allow us to provide roofing, insulation, siding, refurbished windows, and upgraded appliances that members would otherwise not have access to. Not only are those quality of life improvements, but they will also reduce utility bills.

2. MCC's application states that it has already begun to solicit bids from subcontractors for work. Please confirm that MCC intends to rebid work to include federal funding requirements if it is successful in its application for CDD funds.

Yes, we will rebid if CDD funds are awarded.

3. The project budget anticipates an allocation of EECBG funds. Do the budgeted construction costs account for Davis-Bacon prevailing wages? Davis-Bacon wages will also be required for self-performed work by MCC staff. Is that reflected in the budget?

Bids received thus far did not include prevailing wages. A contingency has been added to estimate the potential increase due to prevailing wages, but costs will be recalculated after rebid to determine if the contingency is adequate. None of the work we're requesting Housing Forward funds for will be performed by MCC staff.

#### **Unit Mix**

1. Please elaborate on the income verification process described in the application (i.e. how MCC verifies the income of its residents; e.g. collecting two months of paystubs, using a Verification of Employment form, or collecting other source documentation, such as SSI, SSDI, W2, etc.). Do your methods comply with 24 CFR Part 5 or another standardized format?

Because MCC has only recently become subject to income reporting requirements, we are currently using self-reported income without verification. We are exploring income verification options and will adapt our processes to comply with CDD requirements.