

GENERAL APPLICATION

This application form should be used for projects seeking funding from City of Madison Request for Proposals #2025-14027: **Financing for Affordable Homeownership Development, Programs, and Services.**

Applications must be submitted electronically to the City of Madison Community Development Division by **noon on September 26, 2025.** Email to: cddapplications@cityofmadison.com. Any questions, contact mdavila-martinez@cityofmadison.com.

APPLICANT INFORMATION

Applicant Name: Habitat for Humanity of Dane County, Inc.	
Proposal Contact Name:	Tom Clippert
Email (Proposal Contact):	Tclippert@habitatdane.org
Financial Contact Name:	Val Kudrna
Email (Financial Contact):	vkudrna@habitatdane.org
Legal Status: ☒ Non-Profit ☐ Private/For-Profit ☐ Other	
Federal EIN:	39-1592769
Registered on SAM? ☒ Yes ☐ No	SAM/ UEI #: TGPAJDKABHL1
Community Housing Development Organization?	☐ Yes ☒ No ☐ 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 <https://www.cityofmadison.com/civil-rights/contract-compliance/affirmative-action-plan>.

LOBBYING REGISTRATION

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

Name Gabriella Gerhardt

Date: 9/24/2025

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 **GG** you are electronically signing your name as the submitter of the application and agree to the terms listed above.

ORGANIZATIONAL CAPACITY: **COMPLETE ONCE**

1. Describe your agency's experience with **current or past awards**, including challenges, successes, opportunities, and areas of improvement. If you are a **new applicant**, explain your capacity to undertake the proposed project and identify any resources, partnerships, or expertise you will rely on.

Habitat for Humanity of Dane County has been partnering with the City of Madison for more than 10 years and building in Madison since 1987. We have built and sold a total of 201 homes in the city with a total appraised value of \$30,176,900 at closing, increasing the affordable housing stock and supporting partner families who would be unable to get a traditional mortgage or find an affordable home to purchase. We have also completed 31 home repairs within Madison, preserving existing homes and ensuring homeowners can remain safely on their property. In 2026, we look forward to continuing our partnership with applications for program and development funding. Program applications are for minor home repair and homebuyer assistance through HOME funds. Development applications include a proposal to buy six Owl Creek lots and for development financing to develop those lots.

We have a long history of program support from the city. These investments have directly enabled low- and moderate-income families to own safe, stable homes and supported critical repairs for households at risk of displacement. Since 2016, 31 Habitat families have received \$960,000 in homebuyer assistance from Madison, which has helped ensure affordable mortgage payments that don't exceed 28% of family income. Since 2023, Habitat has also facilitated \$55,000 of minor home repairs to keep 11 homeowners in their homes thanks to support from the city. On top of this, for more than a decade, we have successfully administered Dane County CDBG funding for mortgage reduction and minor home repair outside the City of Madison.

We are well positioned to utilize program funding. In our 38-year history, we have sold 361 homes within Dane County to partner families and crafted a homeownership program that enables long-term success of homeowners. We have plans to build ten homes in our current fiscal year but aim to build 25 homes annually by 2030. The need is greater than ever, and we are working to scale our operations to bring more affordable homeownership opportunities to the community. Our home repair program is newer, and we have successfully completed 62 home repairs since 2015. We aim to increase our annual home repair output from fewer than ten to 20 or more per year; we now have a dedicated staff position focused on home repair.

Our success is also evident in development work in the Owl Creek neighborhood. City resources helped us acquire six lots in December 2021 and all six homes were completed and

sold to Habitat families by 2024; the appraised value for these homes ranged from \$252,000 to \$279,000. We purchased two additional lots in July 2023 that will be under construction in our 2025-2026 fiscal year. With continued support from the City, we plan to expand this success by purchasing and developing affordable homes on up to six additional Owl Creek lots.

While this is our first year applying for development financing from the city, we are well prepared to utilize it effectively. Our construction operations have improved significantly in efficiency in recent years, with streamlined project management, faster build timelines, and stronger volunteer and contractor partnerships; this is possible with the addition of a Construction Manager who comes from the for-profit single-family home building industry, implementing Builder Trend software, and a two-year process of closely looking at our practices to identify issues and continuously improve. We have always financed our home builds independently with fundraising revenue and ReStore sales, but to scale our operation to serve more families, development financing and construction loans will be a critical tool. This is especially essential because we serve as both the construction company and mortgage lender for the families we serve.

As with any funding partnership, challenges can arise—particularly the timing of resources relative to construction schedules, procurement and cost of materials, consistency of volunteer labor, and availability of subcontractors to do expert work. Access to development financing will help alleviate cash flow choke points, providing stability and flexibility for our pipeline of projects. Overall, our track record demonstrates both our capacity to manage complex funding sources and our commitment to continuous improvement in creating affordable homes, making it possible for low- and moderate-income first-time homebuyers to buy a home, and helping current homeowners stay safely in their homes.

2. Do you or any team members have outstanding legal matters or ongoing litigation? If so, provide brief details. Specifically, list:
 - a. Any foreclosure, default, or bankruptcy within the past ten years.
 - b. Any litigation related to financing or construction projects within the past five years.
 - c. Any Chronic Nuisance Abatement or Nuisance Case notifications issued by the Madison Police Department or Building Inspection within the past five years.
 - d. Any unresolved Building Inspection citations resulting in Municipal Court Complaints within the past five years.

- e. Any litigation with the City of Madison, or within the State of Wisconsin, within the past five years.

No

SUBMIT THE FOLLOWING QUESTIONS FOR EACH PROJECT PROPOSAL.

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PROPOSAL #1

1. PROJECT SUMMARY

Name of Proposal:	Habitat Dane Home Repair Program
Proposal Type:	Programs/Services: Minor Home Repair
Proposal Summary:	Habitat for Humanity of Dane County seeks to secure \$50,000 to assist with 10 minor home repairs within the City of Madison. Habitat Dane's Home Repair Program provides critical health, safety, and accessibility repairs for low- and moderate-income homeowners in Madison. The program serves families earning between 30% and 80% of area median income who would otherwise be unable to afford needed repairs. By addressing urgent home needs, the program helps veterans, seniors, and low- and moderate-income individuals remain safely in their homes, preserves the quality of Madison's affordable housing stock, and supports long-term neighborhood stability. Repairs commonly include roof replacements, window and insulation upgrades, lead paint and mold remediation, plumbing and electrical work, accessibility modifications such as wheelchair ramps and grab bars, and general exterior improvements like siding and stairs. Priority is given to projects that address immediate health, safety, and accessibility needs, followed by improvements to energy efficiency and overall functionality. Since 2015, Habitat Dane has completed repairs with 62 homeowners, demonstrating both need and capacity. After a temporary pause during the COVID-19 pandemic, the program has been relaunched and is scaling up to meet growing demand. Habitat's professional staff, skilled volunteers, and

	licensed contractors complete the work. Repair projects exceeding \$5,000 are funded through private grants and donations. Outreach is conducted through partnerships with community-based organizations, schools, faith communities, and the Dane County Veterans Service Office, in addition to self-referrals via Habitat Dane’s website and communications. Applications are available by mail, email, or in person, and Family Services staff review all submissions to verify eligibility and prioritize need. By addressing longstanding repair needs for low- and moderate-income homeowners, Habitat Dane’s Home Repair Program improves quality of life, prevents displacement, supports aging in place, and strengthens the integrity of Madison’s existing housing stock and neighborhoods.
Number of households served:	
Amount Requested from CDD:	\$50,000
Total Proposal Budget:	\$323,000

1A. DEVELOPMENT PROPOSAL ONLY

Specify the target price of project homes (estimate):	\$ _____
Will the homes be permanently affordable? [Yes/No]	_____
Do you have site control? [Yes/No]	_____
If yes, what is the site address:	_____
Is the site currently occupied?	_____
If proposing to build on Owl Creek Vacant Lots detailed above, list addresses of lots. If interested in all six lots, write “All”.	_____

2. PROJECT DESIGN

List any features that make your proposal unique.

- For **Development Proposals** - Provide a detailed description of the **sustainability** and **accessibility** features incorporated into the project design, including their estimated incremental costs to construction. If any of the required sustainability or accessibility features **cannot** be met, explain why they are not feasible for this project.
 - If you are proposing **additional** sustainability or accessibility features that exceed the standard requirements, specify:
 - The specific features being added
 - How many units will include these enhancements
 - The estimated incremental cost associated with these enhancements
- For **Programs/Services** - What innovative or unique elements will your program include to enhance its impact or reach? For example, describe any targeted partnerships, culturally

specific approaches, scalability features, or methods of tailoring services to meet the diverse needs of the community (e.g., income levels, racial/ethnic groups, or other demographics). How do these features set your program apart from others?

Habitat for Humanity of Dane County's Home Repair Program is uniquely positioned to succeed because of our deep expertise in residential construction and long history of mobilizing skilled staff, volunteers, and contractors to deliver high-quality, cost-effective repairs. Habitat Dane brings the full capacity of a homebuilding organization to the repair program, ensuring technical excellence, efficiency, and long-lasting results for homeowners.

To expand our impact, we are investing in a dedicated staff member specifically assigned to home repair, which will increase the number of households served each year and ensure timely completion of projects. This staffing structure represents a significant scaling opportunity, positioning the program to respond more quickly to urgent repair needs across Madison. We are also committed to targeted outreach strategies to reach vulnerable populations most at risk of housing instability, including veterans, seniors, and low-income families living in older housing stock.

These elements set our program apart by combining construction expertise with a strong equity focus. The result is a scalable, targeted, and community-rooted program that not only repairs houses, but also preserves affordable housing, strengthens neighborhoods, and helps Madison families remain safely in the communities they call home.

3. PROJECT READINESS

Provide a summary of the steps already completed and those remaining to demonstrate project readiness.

- For **development proposals**, include land acquisition, financing, zoning approvals, or other pre-construction milestones. Reminder that multi-family proposals have additional requirements including pre-application meeting and DAT meeting that should be included in the timeline.
- For **programs and services**, include steps such as participant outreach plans, hiring and training staff, securing partnerships, timeline for utilizing funds, or developing program materials.

Habitat for Humanity of Dane County has already taken significant steps to ensure the readiness of its Home Repair Program and is well positioned to deploy City of Madison funds quickly and effectively.

Program infrastructure is already in place. Communications staff does broad advertising and targeted outreach to vulnerable populations including seniors, veterans, and people with disabilities when funding is available. Community services staff oversees program intake, eligibility review, and compliance. Construction staff completes scope of work and manages the completion of qualified home repair projects, which frequently involves hiring subcontractors.

We have expanded staffing for home repair to include a site supervisor position to specifically oversee home repair projects and increase capacity and speed of service delivery. In addition, we continue to leverage trained volunteers, ensuring that limited grant funds are maximized to serve more households where possible.

The program is already active, with five home repair projects approved and scheduled, and twelve additional applications under review. When we are ready to deploy new funding, we open an application cycle for home repair. We advertise broadly and also target advertising to populations intended to be served by the funding, which could be location, age or other demographics like service in the military. Our average turnaround time for application review is just two to three weeks, reflecting an efficient system ready to scale. We close application cycles when we reach capacity.

We have established a diverse and stable funding base, drawing support from corporations, foundations, individual donors, Habitat for Humanity International, United Way of Dane County, and public partners such as Dane County and the City of Madison. These partnerships not only demonstrate credibility but also ensure our ability to administer and report on funding responsibly. In addition, collaborations with local nonprofits like Project Home and Movin' Out allow for cross-referrals and resource sharing, while regional housing partnerships align our work with broader community strategies around housing stability.

With staff expertise, infrastructure, and partnerships already in place, Habitat Dane is prepared to expand this work and deliver critical repairs that preserve homeownership and strengthen neighborhoods.

4. PROJECT FEASIBILITY – Developer/Administrator Capacity

Identify team members / partnerships for this project, along with their relevant training, certifications, licenses, experience, and contribution to the proposed project.

Habitat for Humanity of Dane County has the staff expertise, organizational capacity, and community partnerships necessary to ensure the success of its Home Repair Program. The program is overseen by Tom Clippert, Director of Community Services, who brings extensive experience managing home repair initiatives. Prior to joining Habitat Dane, he worked with HUD's Chicago office, where he monitored compliance and administration of federally funded repair programs. His background strengthens the program's ability to meet regulatory requirements while also expanding its impact and scalability.

The Family Services team plays a central role in the program, managing homeowner outreach, application intake, income verification, and eligibility determination. Staff are trained in employment, housing, and benefit verification, ensuring accuracy and fairness in the process. They also serve as a trusted point of contact for families, providing communication and support throughout the repair process. With several years of direct experience administering the Home Repair Program and extensive experience with the Homeownership Program, the Family Services team ensures that services are accessible, equitable, and responsive to community needs.

On the construction side, the program is led by Eric Lindberg, Construction Manager, who has more than nine years of experience in the construction industry. Eric oversees project planning, contractor coordination, and quality control, ensuring that repairs are completed efficiently, safely, and to high standards. A new position for a dedicated home repair site supervisor has been created to invest in a quality program ready to scale. The construction team is supported by other construction site supervisors and skilled volunteers, which allows Habitat to extend capacity while keeping costs manageable. Licensed contractors are engaged as needed for specialized work, ensuring that all projects comply with relevant building codes and standards.

With this experienced and mission-driven team in place, Habitat Dane is fully prepared to deliver minor home repairs effectively, ensuring that Madison families can remain safe and secure in their homes.

5. PROJECT FEASIBILITY – Financial Capacity

Explain your approach to fulfilling financial obligations for the proposal, including any secured funding:

- For **development proposals**: Address developer equity, construction financing, other funding sources you are leveraging, and subsidy needs.
- For **programs/services proposals**: Address management of program costs, staff compensation, other sources of funding you are leveraging, and operational sustainability.

Habitat Dane's home repair program is designed with a financially responsible and sustainable model to fulfill all program obligations, supported by secured funding and sound fiscal management practices. We cover the program's operational costs, and continuously seek funds dedicated to our home repair program through grants and individual donations. Habitat Dane is committed to funding projects to completion with undesignated funds when necessary.

We have committed funding designated for home repair from three reputable partners for 2025, but will apply for renewals of these sources in 2026:

- \$15,000 Old National Bank
- \$10,000 State Farm via Habitat for Humanity International
- \$20,500 Home Depot via Habitat for Humanity International

All staff are compensated at competitive, fair-market rates aligned with regional nonprofit and construction-sector benchmarks. Compensation for the Site Superintendent is included in the program budget and fully supported by a combination of secured and anticipated funding. Our financial operations are supported by a dedicated finance team, regular audits, and internal controls to ensure compliance and accountability.

We are committed to the long-term viability of the home repair program. Sustainability strategies include ongoing fundraising and outcome tracking and reporting to demonstrate community impact and maintain funder confidence.

6. PROJECT FEASIBILITY – Project Management and Timeline

Provide a project timeline for the contract term, including key milestones:

- For **development proposals**: real estate acquisition, bid process, construction start/end, marketing, and unit sale completion, etc. (2 year-max timeline)
- For **programs/services proposals**: marketing, outreach, service delivery, completions, etc. (annual timeline)

Habitat opens home repair application cycles when needed based on available funding and staff capacity. Our average turnaround time for application review is two to three weeks during open application periods. Turnaround time to complete the project depends on the complexity of the job, scheduling, and availability of materials and labor. The timeline below is an example of what may be possible with City of Madison funding in place.

04/2026 Open home repair application cycle, targeted outreach to City of Madison residents.

05/2026 Application cycle remains open. Application reviews and project scope of work completed on a rolling basis, on average within 2-3 weeks of receiving the application. Qualified project work may begin, subject to availability of materials and subcontractors.

06/2026 Application cycle closes. Qualified project work continues.

12/2026 Goal for completion of qualified home repair projects. Delays due to extenuating circumstances are possible but will be minimized to the extent possible.

7. COMMUNITY NEED

Alignment: Explain how your project aligns with the City's goals for affordable housing and community development and identify the target population served for your project (including income levels and other demographic factors). Note if your proposal aligns with any of the preferences identified in the RFP.

Habitat for Humanity of Dane County's Home Repair Program aligns closely with the City of Madison's goals for affordable housing and community development by preserving safe, stable, and affordable homes for low- and moderate-income households. The program serves families earning 30%–80% of area median income, ensuring that limited resources are directed to those most at risk of housing instability.

In line with the City's stated preferences, the program prioritizes vulnerable populations, with targeted outreach to seniors and veterans who are disproportionately affected by challenges such as fixed incomes, accessibility limitations, and increased health or mobility needs. By providing repairs that improve safety, accessibility, and efficiency, the program enables these residents to remain in their homes longer, maintain independence, and avoid displacement.

This work is directly aligned with the City's Housing Forward Agenda, which identifies building rehabilitation and repair programs as a key tool in combating displacement and maintaining long-term affordability. By extending the useful life of existing homes, the program helps stabilize neighborhoods while complementing the City's efforts to expand housing supply and prevent homelessness.

The program also advances the Dane County Regional Housing Strategy (RHS), which emphasizes the importance of preservation as a central component of the regional housing system. RHS specifically highlights the need to maintain affordable housing stock, improve housing quality, and address barriers faced by low-income households, seniors, and people with disabilities. Habitat's Home Repair Program operationalizes these goals at the household level, ensuring that vulnerable residents can remain safely housed and that Madison's affordable housing supply is preserved for the long term.

Through strong partnerships, skilled staff, and a commitment to serving households who otherwise lack access to safe and affordable housing, the Home Repair Program advances City and regional objectives while directly addressing the needs of income-restricted and high-priority populations across Madison.

Economic Mobility: How will your proposal help participants or residents achieve economic mobility, particularly in underserved communities?

- For **development proposals**, explain how the project aligns with the income levels of the area (describe what the median income of the census tract where the development will be located) and promotes generational wealth-building and well-being.
- For **programs/services proposals**, describe how your program fosters financial empowerment and economic mobility through education, support, or direct assistance.

Habitat Dane's Home Repair Program promotes economic mobility by helping underserved homeowners, particularly seniors, veterans, and low- and moderate-income families, remain safely in their homes. In Madison's increasingly competitive and costly housing market, relocating is often not a

realistic option for these families. By addressing critical but affordable repairs, the program prevents displacement and allows homeowners to preserve stability in the neighborhoods and communities they already call home.

For many households, deferred maintenance can threaten both safety and financial security. Delays on small but urgent repairs can escalate into costly replacements that are far out of reach for limited-income homeowners. In addition, failing to make required improvements can put homeowners at risk of losing their insurance coverage, potentially jeopardizing both their home and financial stability. By intervening early, the program reduces long-term costs, preserves home equity, and safeguards what is often a family's most significant asset.

This work is particularly impactful for seniors and veterans, who may face fixed incomes, health challenges, or accessibility needs that make moving challenging. By keeping these homeowners in safe, insurable, and livable homes, the Home Repair Program not only addresses immediate housing needs but also provides a pathway for long-term financial stability and economic mobility—helping families protect and pass on intergenerational wealth and stability.

Expand: Explain how your project will expand opportunities for first-time homebuyers and reduce existing disparities in rates of homeownership between different segments of the Madison population.

Habitat Dane's Home Repair Program strengthens opportunities for first-time homebuyers by preserving Madison's existing affordable housing stock. The homes we repair belong to seniors, veterans, and low- and moderate-income families who otherwise could not afford necessary improvements. Without intervention, these homes risk falling into disrepair, being sold, or becoming uninhabitable, therefore removing them from the affordable housing market. By completing critical repairs, we ensure these properties remain safe, livable, and insurable, ultimately sustaining the pool of affordable homes available to future buyers.

This work directly aligns with the City of Madison's preference to reduce racial and economic disparities in homeownership. Communities of color and other underserved households are disproportionately affected by barriers to affordable, quality housing. By preserving existing homes in diverse neighborhoods and supporting long-term stability for current owners, the program helps reduce displacement and ensures affordable units remain available for future generations of first-time buyers. In turn, this prevents the widening of racial and economic gaps in homeownership.

By stabilizing existing households through repairs, Habitat Dane advances both our organizational goal and the City's goal of expanding and preserving affordable housing opportunities. Keeping families in their homes not only prevents displacement, but also strengthens neighborhood stability, extends the lifespan of affordable housing, and ensures more families can access safe and stable housing for the long term.

PROPOSAL #2

1. PROJECT SUMMARY

Name of Proposal:	Habitat Dane Homebuyer Assistance
Proposal Type:	Programs/Services: Homebuyer Assistance (Down Payment)
Proposal Summary:	Habitat for Humanity of Dane County seeks to secure \$86,200 in homebuyer assistance in the form of mortgage reduction for two homes in the Owl Creek neighborhood, on property we currently own. \$86,200 will cover \$40,000 for each homeowner and \$3,100 in administrative costs per home. In two subsequent proposals, we are applying to buy the six available Owl Creek lots along with applying for \$200,000 of development financing for each Owl Creek lot we are approved to purchase. If the City of Madison elects to let us purchase Owl Creek lots but cannot provide development financing, we request consideration of \$43,100 of homebuyer assistance for each lot in lieu of the development financing. This contingent request is not reflected in the amount of funds requested in this application. Habitat Dane's Homeownership Program provides affordable homeownership opportunities to low- and moderate-income (LMI) families earning between 30% and 60% of area median income—households that are otherwise priced out of the housing market. As both builder and lender, Habitat constructs high-quality, modest homes that currently appraise around \$280,000 and offers 0% interest mortgages to partner families, ensuring that monthly payments remain within reach. The initial calculation caps mortgage payments at 28% of household income. Funding from the City of Madison is critical to bridge the gap between the appraised value of the home and what families can afford. In the lead up to their home closing, Habitat partner families complete a comprehensive homeowner education program designed to help them be successful homeowners and stay in their homes long-term. With City of Madison support, Habitat Dane's homeownership program will make it possible for first-time LMI homebuyers to buy an affordable home with an affordable mortgage and sets them up for success. Homeownership is a powerful tool and allows partner families to gain stability, build equity, and lay the foundation for lasting, intergenerational wealth.
Number of households served:	2

Amount Requested from CDD:	\$86,200
Total Proposal Budget:	\$1,025,446

1A. DEVELOPMENT PROPOSAL ONLY

Specify the target price of project homes (estimate):	\$ _____
Will the homes be permanently affordable? [Yes/No]	_____
Do you have site control? [Yes/No]	_____
If yes, what is the site address:	_____
Is the site currently occupied?	_____
If proposing to build on Owl Creek Vacant Lots detailed above, list addresses of lots. If interested in all six lots, write "All".	_____

2. PROJECT DESIGN

List any features that make your proposal unique.

- For **Development Proposals** - Provide a detailed description of the **sustainability** and **accessibility** features incorporated into the project design, including their estimated incremental costs to construction. If any of the required sustainability or accessibility features **cannot** be met, explain why they are not feasible for this project.
 - If you are proposing **additional** sustainability or accessibility features that exceed the standard requirements, specify:
 - The specific features being added
 - How many units will include these enhancements
 - The estimated incremental cost associated with these enhancements
- For **Programs/Services** - What innovative or unique elements will your program include to enhance its impact or reach? For example, describe any targeted partnerships, culturally specific approaches, scalability features, or methods of tailoring services to meet the diverse needs of the community (e.g., income levels, racial/ethnic groups, or other demographics). How do these features set your program apart from others?

Habitat Dane's Homeownership Program is unique in its comprehensive approach. While best known for building affordable homes, our model also provides affordable mortgages and prepares first-time homebuyers with the support they need to succeed.

Habitat exclusively serves families earning between 30% and 60% of Dane County's Area Median Income—households often excluded from homeownership due to high costs and lack of access to traditional financing. Habitat plays a dual role as both builder and lender: homes are constructed with expert staff, volunteer labor and skilled trades, then sold at full appraised market value and financed directly by Habitat with a 0% interest mortgage. To ensure long-term affordability, monthly payments are capped at 28% of gross income at the initial calculation, inclusive of taxes, insurance, and HOA dues. The family contribution to the down payment is 1% (around \$2,800), payable over the 6-18 months they are in the program. Families also complete 200–400 hours of sweat equity by

attending homeownership readiness classes and working on construction sites or in Habitat's ReStores. This experience not only builds financial and homeownership skills but also strengthens community ties.

City of Madison Homebuyer Assistance funds are essential in making the model sustainable and scalable. With rising land and construction costs, these funds bridge the gap between what families can afford and the market cost of a home. The result is a pathway to stable, affordable homeownership that creates long-term financial resilience and wealth-building opportunities for families who would otherwise be left out of Madison's housing market.

To ensure equity and accessibility, Habitat Dane offers applications in multiple languages, employs bilingual Spanish-English staff, and provides interpretation services to bridge communication gaps. The Family Selection Committee includes Spanish- and Hmong-speaking members to support applicants during home visits, while virtual interpretation services extend access to additional languages such as Arabic, Farsi, and Pashto. Outreach intentionally focuses on low- and moderate-income households, with many families referred directly by past Habitat homeowners—reinforcing trust and expanding access within underserved communities.

The program is further distinguished by its robust partnerships. Habitat collaborates with financial advisors and University of Wisconsin-Madison Extension to provide homebuyer education and credit coaching. Partnerships with Madison College, Operation Fresh Start, and Sun Prairie High School allow for workforce development, giving future construction industry employees and tradesmen hands-on experience. Each year, over 800 volunteers contribute more than 13,500 hours to build homes, while local and national corporations, foundations, municipalities, and in-kind donors provide vital financial and material support. Habitat also actively participates in coalitions like the Dane County Regional Housing Strategy and the Home Buyers Round Table, ensuring its work continues to align with broader community goals.

3. PROJECT READINESS

Provide a summary of the steps already completed and those remaining to demonstrate project readiness.

- For **development proposals**, include land acquisition, financing, zoning approvals, or other pre-construction milestones. Reminder that multi-family proposals have additional requirements including pre-application meeting and DAT meeting that should be included in the timeline.
- For **programs and services**, include steps such as participant outreach plans, hiring and training staff, securing partnerships, timeline for utilizing funds, or developing program materials.

With a 38-year history and 361 homes sold in Dane County, Habitat Dane is fully prepared to deploy City of Madison Homebuyer Assistance funds through mortgage reduction. Demand for the program is clear; our most recent application cycle drew a record 82 applicants for only 10 available spots.

Key program infrastructure is already in place. The Family Services team, fully trained in Mortgage Loan Origination, has completed American Bankers Association coursework on state and federal lending regulations and follows an annual training schedule to stay current. Systems for income verification, employment and housing history checks, and use of licensed third-party appraisers are well established. Applications are reviewed by the Family Selection Committee, which includes mortgage professionals, ensuring accuracy and fairness.

Specialized roles, such as a HUD-certified Family Education Coordinator/Housing Counselor, a Partner Family Support Specialist, and a Loan Service Specialist, are staffed and active, providing direct family support from application through closing. All legal loan and closing documents are prepared by a licensed real estate attorney to ensure compliance.

The only remaining steps for this project are selecting families through our established application cycle, stewarding families through the homeownership education program, completing underwriting, and applying homebuyer assistance funds at closing. These funds will be deployed within the grant year, ensuring timely impact for families in need of affordable homeownership.

4. PROJECT FEASIBILITY – Developer/Administrator Capacity

Identify team members / partnerships for this project, along with their relevant training, certifications, licenses, experience, and contribution to the proposed project.

Habitat for Humanity of Dane County has developed strong internal capacity to manage every aspect of the affordable homeownership process, from outreach through long-term mortgage servicing. The Family Services Department is staffed by professionals trained in Mortgage Loan Origination, with all team members completing American Bankers Association courses on federal and state mortgage regulations. Staff expertise includes income verification, underwriting, loan servicing, and compliance with all relevant regulations.

Key program staff include:

- **Director of Community Services**—Brings extensive HUD program administration and municipal housing services experience, ensuring compliance and effective oversight.
- **HUD-Certified Family Education Coordinator and Housing Counselor**—Guides families from application through closing while delivering financial literacy, mortgage readiness, and home maintenance training.
- **Partner Family Support Specialist**—Assists families in meeting program requirements such as sweat equity and provides translation and cultural support.
- **Loan Service Specialist**—Oversees loan documentation and servicing, ensuring accuracy and compliance with state and federal requirements.
- **Licensed Real Estate Attorney (contracted)**—Prepares and reviews all promissory notes, mortgages, deeds, and federally required documents with homebuyers during closing.

Habitat Dane also leverages partnerships with University of Wisconsin-Madison Extension for financial capability training, local workforce programs for volunteer and labor support, and membership in the Home Buyers Round Table to align practices with lenders, nonprofits, and municipal staff. This combination of experienced staff, specialized certifications, legal oversight, and strong partnerships ensures the program is both feasible and sustainable, with capacity to deliver compliance, quality, and successful outcomes for Madison families.

5. PROJECT FEASIBILITY – Financial Capacity

Explain your approach to fulfilling financial obligations for the proposal, including any secured funding:

- For **development proposals**: Address developer equity, construction financing, other funding sources you are leveraging, and subsidy needs.
- For **programs/services proposals**: Address management of program costs, staff compensation, other sources of funding you are leveraging, and operational sustainability.

Habitat Dane's below market rate lending model creates an organizational deficit in cash flow, offset by other funding sources. Habitat Dane receives generous cash and in-kind donations from the community to assist with this deficit. Charitable donations have averaged over two million dollars per year for the past several years. In addition, Habitat Dane operates two ReStore retail outlets that sell gently used home improvement items donated by the public and corporations; these stores net approximately \$465,000 per year, providing additional cash to assist with the costs of home building and lending. In order to maintain building and lending services with a deficit cash flow model, and a break-even budget, additional funds are required. Those additional funds often come in the form of downpayment assistance or mortgage reduction, including from the Federal Home Loan Bank of Chicago and HOME funds administered by the City of Madison and Dane County.

To run the entire organization, current annual revenue sources include, but are not limited to:

1. \$1,627,800—Monetary contributions from the community
2. \$61,600—United Way donations
3. \$245,000—Community Development Financial Institution Grant income
4. \$2,650,000—Combined income from Habitat's two ReStore retail operations, generating approximately \$465,000 in net revenue each year.
5. \$650,000—Annual mortgage payment revenue from current Habitat homeowners
6. \$1,060,000—Other income, primarily mortgage sales and deferred mortgage payments
7. \$446,600—Gift-in-kind donations, primarily volunteer labor to construct the homes

Our financial operations are supported by a dedicated finance team, annual audits, and strong internal controls to maintain compliance and accountability. All staff are compensated at fair-market rates aligned with regional nonprofit and construction benchmarks, ensuring long-term organizational stability.

We are committed to the long-term viability of the homeownership program. Sustainability strategies include ongoing fundraising and outcome tracking and reporting to demonstrate community impact and maintain funder confidence.

6. PROJECT FEASIBILITY – Project Management and Timeline

Provide a project timeline for the contract term, including key milestones:

- For **development proposals**: real estate acquisition, bid process, construction start/end, marketing, and unit sale completion, etc. (2 year-max timeline)
- For **programs/services proposals**: marketing, outreach, service delivery, completions, etc. (annual timeline)

Family Selection and Training

The two families that will be moving into the two Owl Creek homes have already been selected and are in the process of completing the Homeownership Program, including taking homeownership readiness classes that include Introduction to Habitat, Sweat Equity and Communications, Homeowner 101, Intro to Construction, First Time Home Buyer, Financial Capability and Readiness, Home Maintenance, Lawn and Yard Care, Good Neighbor, and Estate Planning. The families receiving funding will complete the homeownership program in time for the closing of their home.

The homeowner selection process typically takes place twice per year. The timeframe is as follows:

Information meetings—30 days

Application Intake/review—60 days

Final Selection of Families—45 days

Classes and sweat equity—120 days +

Home Construction

The two Owl Creek lots that would receive homebuyer assistance are owned by Habitat Dane and are shovel ready. The twin home design meets zoning requirements. It is currently in the permitting phase.

Construction will begin in fall of 2025 and completion of the homes is anticipated in late spring or summer 2026, within the 2026 grant year for City of Madison.

7. COMMUNITY NEED

Alignment: Explain how your project aligns with the City’s goals for affordable housing and community development and identify the target population served for your project (including income levels and demographic factors). Note if your proposal aligns with any of the preferences identified in the RFP.

Habitat homes are strategically placed to promote inclusive growth and long-term stability, fostering economic diversity, ensuring school continuity for children, and enabling access to employment, transportation, and community services. The use of City of Madison homebuyer assistance funds for

mortgage reduction ensures that low- and moderate-income families can access homes in these high-cost areas, advancing the City's fair housing and equity goals.

For 38 years, Habitat Dane has served households underrepresented in the traditional homebuyer market. Habitat exclusively serves households earning 30%–60% of area median income (AMI). In 2024, the average partner family earned 47.18% of AMI, and 15% of households served included a family member with a disability. Over the past five years, 41% of Habitat mortgage holders identified as Black or African American, 21% as Asian, 4% as Hispanic, and 29% as White—demonstrating success in serving diverse households.

Through broad community outreach, Habitat Dane recruits a diverse applicant pool reflecting Madison's demographics. Applications are available online and on paper, information sessions are held in bus-accessible locations, and interpretation services are provided in multiple languages. Families are selected through a careful, transparent review process led by Habitat staff and trained community volunteers.

Through this combination of intentional siting, inclusive outreach, and robust affordability mechanisms, Habitat Dane's program advances the Housing Forward Agenda, supports Regional Housing Strategy priorities around equity and accessibility, and aligns directly with the City of Madison's goal to make it possible for more Madison residents to purchase and afford a home.

Economic Mobility: How will your proposal help participants or residents achieve economic mobility, particularly in underserved communities?

- For **development proposals**, explain how the project aligns with the income levels of the area (describe what the median income of the census tract where the development will be located) and promotes generational wealth-building and well-being.
- For **programs/services proposals**, describe how your program fosters financial empowerment and economic mobility through education, support, or direct assistance.

Homeownership is proven to be one of the most effective means of building wealth and breaking the cycle of generational poverty. Habitat Dane's mortgages provide economic opportunity by design. Homes are sold at appraised value, with partner families earning instant equity upon closing. Mortgage payments are capped at 28% of a family's monthly gross income at initial calculation; this is transformational for families that are frequently cost-burdened and facing annual rising rents. With a 0% interest mortgage, Habitat partner families save hundreds of thousands of dollars over the life of their 25- to 30-year loan. With firm roots in stable housing, homeowners are more likely to save for college, retirement, and emergency funds.

Habitat Dane's homeownership program equips families with the tools to achieve long-term economic mobility through a robust series of education courses. Families learn how to budget, build credit, and avoid predatory lending; manage the costs of homeownership compared to renting; and protect their

investment through insurance, estate planning, and responsible maintenance. Courses also provide financial coaching, home maintenance skills, and strategies for building strong neighborhood connections. Together, these trainings ensure families not only become homeowners but also develop the financial stability and knowledge to preserve their homes, build wealth, and create lasting opportunity for future generations.

Expand: Explain how your project will expand opportunities for first-time homebuyers and reduce existing disparities in rates of homeownership between different segments of the Madison population.

Habitat for Humanity of Dane County's Homeownership Program directly expands opportunities for homebuyers in Madison by serving families earning between 30% and 60% of area median income, households most often excluded from homeownership due to high housing costs and lack of access to conventional financing. All Habitat partner families are first-time homebuyers. Increasing the number of units attainable to low- and moderate-income (LMI) households is the first housing priority identified in the Dane County Regional Housing Strategy. Habitat is not only building homes that LMI households can afford, with recently sold homes appraising around \$280,000, but we ensure through our program that those homes are only sold to families that meet LMI criteria.

The program is designed to eliminate common barriers to ownership. Homes are sold at appraised market value, but Habitat provides a 0% interest mortgage with payments capped at 28% of household income and require a minimal family contribution to the down payment of about 1%, payable during the time they are in the program. This model ensures that families who would otherwise remain renters are able to purchase a home and begin building wealth.

By combining affordable financing with education, financial coaching, and support, Habitat equips first-time buyers with the tools to succeed and remain stable homeowners. This approach not only opens the door to homeownership for families who have been excluded, but also creates lasting equity, stability, and opportunity, helping to close racial and economic gaps in Madison's housing landscape.

CITY OF MADISON
COMMUNITY RESOURCES PROGRAM
APPENDIX II

Habitat for Humanity of Dane County, Minor Home Repair

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NOTES:

AGENCY, PROGRAM AND CITY SHARE EXPENSES

CITY OF MADISON
COMMUNITY RESOURCES PROGRAM
APPENDIX II

Agency & Program:

Habitat for Humanity of Dane County, Homebuyer Assistance

ACCOUNT CATEGORY	City of Madison GRF	City of Madison ESG	City of Madison CDBG-CV	City of Madison Other	Non-City Sources	Total Program Budget
A. PERSONNEL						
Salary					208,100	208,100
Taxes/Benefits					60,900	60,900
Subtotal A.	0	0	0	0	259,000	259,000
B. OTHER OPERATING						
Insurance					5,000	5,000
Professional Fees					4,300	4,300
Audit					0	0
Postage/Office and Program Supplies					3,100	3,100
Equipment/Furnishings/Depreciation					20,200	20,200
Telephone					2,700	2,700
Training/Conferences					0	0
Food/Household Supplies					5,900	5,900
Auto Allowance/Travel					1,300	1,300
Vehicle Costs/Depreciation					0	0
Other (Specify): Dues/Subscriptions, Publicity & Communications, Misc					35,800	35,800
Subtotal B.	0	0	0	0	82,200	82,200
C. SPACE						
Rent					7,500	7,500
Utilities					1,900	1,900
Maintenance					3,800	3,800
Mortgage Principal/Interest/Depreciation					26,700	26,700
Property Taxes					0	0
Subtotal C.	0	0	0	0	39,900	39,900
D. SPECIAL COSTS						
Rent Assistance (Rent Arrears, Security Deposit, Application Fee)					0	0
Utility Assistance					0	0
Assistance to Individuals (Non-Rent or Utility)					0	0
Service/Program Subcontracts					86,200	557,160
Other (Specify):					0	0
Subtotal D.	0	0	0	0	86,200	557,160
TOTAL (A-D)	0	0	0	0	86,200	937,260
	0	0	0	0	86,200	937,260

NOTES: City of Madison CDBG-HOME Special Costs = \$80,000 Loans to Homebuyers; 3600 Appraisal, Survey & Credit Reports; \$0,000 Title Insurance & Recording Fees
Non-City Sources Special Costs = \$ Loans to Homebuyers; \$86,200 GRF in-kind Labor

Staff Position Title	Total Program FTE	STAFFING: Include ALL staff working for the program	
		City Funded FTE	Notes and Responsibilities
Construction Manager	1.0000	0.0000	Responsible for supervision of all construction staff and build sites
Director of Program Operations	1.0000	0.0000	Examines construction processes and procedures to improve efficiency, accountability, and productivity
Site Superintendent (SR)	1.0000	0.0000	Work day schedule and directing work of on site volunteers
Construction Volunteer Service	1.0000	0.0000	Coordinating and scheduling individual and group volunteers for build sites
Director of Community Service	1.0000	0.0000	Recruit and educate homebuyers and prepare documents for closing on homes
Family Education Coordinator	1.0000	0.0000	Coordinate classes for homebuyers in the program and educate homebuyers
Partner Family Support Specialist	1.0000	0.0000	Assists families in meeting program requirements and provides support
CEO	0.2500	0.0000	Oversee of the entire organization and listen to the board of directors
COO	0.6000	0.0000	Oversee of operation of Construction, Community Service and Land Development
VP Marketing	0.3000	0.0000	Ensure effective marketing for organization
CFO	0.3000	0.0000	Directs the accounting, financial, internal control, and risk management activities
Chief of Staff	0.2000	0.0000	Assists in staff recruitment and support fund raising efforts
Loan Services Specialist	0.2500	0.0000	Servicing Homeowner mortgages
Accounting Clerk	0.3000	0.0000	Records the daily accounting transactions including banking, A/P, sales & cash receipts

CITY OF MADISON
COMMUNITY RESOURCES PROGRAM
APPENDIX II

ACCOUNT CATEGORY	City of Madison GPR	City of Madison ESG	City of Madison COBG-CV	City of Madison Other	Non-City Sources	Total Program Budget
A. PERSONNEL						
Salary						
Taxes/Benefits						
Subtotal A.	0	0	0	0	0	
B. OTHER OPERATING						
Insurance						
Professional Fees						
Audit						
Postage/Office and Program Supplies						
Equipment/Furnishings/Depreciation						
Telephone						
Training/Conferences						
Food/Household Supplies						
Auto Allowance/Travel						
Vehicle Costs/Depreciation						
Other (Specify):						
Subtotal B.	0	0	0	0	0	
C. SPACE						
Rent						
Utilities						
Maintenance						
Mortgage Principal/Interest/Depreciation						
Property Taxes						
Subtotal C.	0	0	0	0	0	
D. SPECIAL COSTS						
Rent Assistance (Rent Arrears, Security Deposit, Application Fee)						
Utility Assistance						
Assistance to Individuals (Non-Rent or Utility)						
Service/Program Subcontracts						
Other (Specify):						
Subtotal D.	0	0	0	0	0	
TOTAL (A-D)	0	0	0	0	0	

NOTES

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REVENUE AND EXPENSE REPORT SUMMARY

CITY OF MADISON
COMMUNITY RESOURCES PROGRAM
APPENDIX IV - PART 1

Name of Applicant: Habitat for Humanity of Dane County

Date of Report:

Period Covered:

Person Completing Report:

Telephone:

All expenditures must be documented. Only program expenses actually paid out for the period covered may be claimed on this report.

****Only use whole numbers, if using formulas or amounts with cents, convert to whole number before submitting to CDD.**

All Program Expenses	2025 City Allocation	City Portion of Expenses billed this Period	City Portion of Expenses billed Year-to-Date	% of City Budget Spend
A. PERSONNEL	0	0	0	0%
B. OTHER OPERATING	0	0	0	0%
C. SPACE	0	0	0	0%
D. SPECIAL COSTS	136,200	0	0	0%
TOTAL	136,200	0	0	0%

Vendor #:

Contract #:

Budget Adjustments and Method of Reimbursement

1. Agency may alter this budget within 10% of each deliverable by formal notification to assigned Grant Administrator. Changes which would result in modifications in excess of 10% of any original deliverable must receive Community Development Supervisor's written approval prior to contractor commitment of funds.
2. Costs for this project will be reimbursed pending approval by the Community Development Supervisor upon submission of a) a completed program report describing completed activities (Exhibit 3, Program Activity Report) and b) any other reports specified in the agency contract (Exhibit 1, Scope of Services).
3. Any funds not expended by the termination date of the Agreement are not eligible for reimbursement.

INDIVIDUAL PROGRAM EXPENSES

Applicant Name:

All expenditures must be documented. Only program expenses actually paid out for the period covered may be claimed on this report.

**Only use whole numbers, if using formulas or amounts with cents, convert to whole number before submitting to CDD.

Pgm Letter	Program Name	Program Expenses	2025 City Allocation	City Portion of Expenses Paid YTD	City Portion of Exp. Billed this Period	City Portion of Exp. Billed YTD	% of City Allocation Spent
A	Minor Home Repair	PERSONNEL	0			0	0%
		OTHER OPERATING	0			0	0%
		SPACE	0			0	0%
		SPECIAL COSTS	50,000			0	0%
		TOTAL	50,000	0	0	0	0%
B	Homebuyer Assistance	PERSONNEL	0			0	0%
		OTHER OPERATING	0			0	0%
		SPACE	0			0	0%
		SPECIAL COSTS	86,200			0	0%
		TOTAL	86,200	0	0	0	0%
C		PERSONNEL	0			0	0%
		OTHER OPERATING	0			0	0%
		SPACE	0			0	0%
		SPECIAL COSTS	0			0	0%
		TOTAL	0	0	0	0	0%
D		PERSONNEL	0			0	0%
		OTHER OPERATING	0			0	0%
		SPACE	0			0	0%
		SPECIAL COSTS	0			0	0%
		TOTAL	0	0	0	0	0%
E		PERSONNEL	0			0	0%
		OTHER OPERATING	0			0	0%
		SPACE	0			0	0%
		SPECIAL COSTS	0			0	0%
		TOTAL	0	0	0	0	0%
TOTAL FOR ALL PROGRAMS			136,200	0	0	0	0%

	PI Funds YTD	PI Received This Period
PROGRAM INCOME (PI) RECEIVED		

**City of Madison | Community Development Division
2025 Financing for Affordable Homeownership Development,
Programs and Services RFP #2025-14027**

HABITAT FOR HUMANITY OF DANE COUNTY

Habitat for Humanity Homebuyer Assistance (Progs: Homebuyer Assistance)

Response Submission Due Date: October 31, 2025 at Noon Central Time.

Instructions to applicants:

Please respond briefly and succinctly to the questions below, in-line, unless otherwise specific (e.g. if additional documentation is requested), with a maximum 1/3 page response per question. Use this Word document to record your answers and return the completed document to CddApplications@CityOfMadison.Com with cc: to MDavila-Martinez@CityOfMadison.Com. Please refrain from submitting additional documentation not specifically requested at this time or using alternative formats.

Questions:

1. If the City were to fund only through the DPA mechanism, would the proposed \$40,000 per household amount be sufficient to bring the homes affordable price point, particularly given recent increases in construction costs? Could that level of assistance potentially narrow your applicant pool or shift the income range of qualifying buyers?

- a. The level of assistance does not narrow our applicant pool or shift the income range of qualifying buyers since those are core attributes of the Homeownership Program. The level of assistance affects Habitat Dane's cash flow and ability to pay the costs of building more homes.

Habitat Dane sells homes at appraised values, with recent homes appraising around \$280,000; the homes always cost more to build than appraised value. The first mortgage payment is capped at 28% of the family's gross income, including property taxes, insurance, and any applicable HOA fees. We serve families earning between 30-60% of Dane County Area Median Income, so the size of the first mortgage varies and rarely is equal to the cost of the home.

Habitat Dane faces unique challenges as both the construction company and mortgage lender. At the close of the home, we don't receive cash

revenue from a bank because we finance the mortgages. We use DPA as part of a stackable package of funding to make these affordable homes financially feasible for our organization and create needed cash flow. The proposed \$40,000 is part of what makes the homes possible and allows Habitat Dane to continue financing our affordable homeownership program for more families.

2. Your proposal references both 25-year and 30-year first mortgages for participating homebuyers. How frequently does Habitat currently use 25-year mortgage terms, and under what circumstances are they selected?
 - a. The first mortgage payment is capped at 28% of the family's gross income, and the mortgage term is determined based on the income of the family, which ranges from 30-60% of AMI. The mortgage term varies and does not fall only into 25-year or 30-year categories. For the mortgages we currently service, the average term is closer to 25 years. For example, since July 2022, we have issued 33 mortgages; 10 are 30-year mortgages and 23 are less than 30 years with an overall average of 286 months or 23.83 years.
3. You mention offering interpretation services, translated materials, and bus-accessible meeting locations to support applicants. Can you elaborate on *how* you conduct outreach to populations not typically reached through word-of-mouth?
 - a. Habitat Dane outreach is multifaceted. We advertise broadly, which includes TV, social media (Facebook, Instagram, LinkedIn, YouTube), email listservs, and press releases to news media. Staff members also contact businesses, schools, social service providers, community organizations, and faith organizations to spread awareness to both prospective homeowners and potential referrers. We maintain strong relationships and communicate with housing stakeholders in the community, including sitting on the Home Buyers Round Table of Dane County, participating in 3rd Sector meetings, participating in the Dane County Regional Housing Strategy, and maintaining connections with local governments and businesses, including sitting on boards and commissions.

We also seek to engage in targeted outreach strategies that meet people where they are. For example, in 2024, two staff members appeared on the Hmong Radio Show on WORT 89.9 FM to discuss our Homeownership Program in a culturally relevant and linguistically accessible format. We hope to do this more often in the future.

While Habitat Dane always receives more applications for the Homeownership Program than we have capacity to serve, we believe in continuous improvement and are always open to suggestions for furthering

our reach and diversifying our applicant pool. We are committed to ensuring all promotional and outreach efforts reflect the diversity of the communities we serve.

- b. Do you have specific partnership, community groups, or listservs you use?
 - i. Our strongest partnerships are with Home Buyers Round Table of Dane County, 3rd Sector (a collaborative network involving organizations working in community development, affordable housing and social services in Dane County, including Commonwealth Development, Movin' out, Own it, Madison Area Community Land Trust), and RISE Wisconsin. We maintain internal listservs.
- c. How are you evaluating whether your outreach efforts are successfully broadening your applicant pool (not just increasing the number of applicants)? Are there communities you have identified as underrepresented in your applicant pool that you are specifically aiming to engage next?

- i. We keep track of the demographics of people who attend the Homeownership Program information meetings and those who apply to the program. We also ask applicants where they heard about the program. We analyze these data periodically to identify gaps in who we are reaching.

While Habitat Dane always has far more applicants than we can serve, we believe in continuous improvement and can always do more to reach out to the community to make them aware of our program opportunities and diversify our applicant pool. We'd like to engage more with partner organizations including Urban League, YWCA, and OutReach LGBTQ+ Community Center.

- 4. Given the significant demand for your program and the limited number of homes available, can you walk us through your selection process in more details?
 - a. How are applicants prioritized when there are many qualified families? Are there specific criteria or weighing factors that guide decisions?
 - i. Habitat for Humanity of Dane County runs up to two application cycles per year, depending on how many homes we have plans to build. We do not maintain a waiting list. Applicants who are not accepted into the program are welcome to reapply. Those who were previously eligible but not selected receive additional points in the scoring system when reapplying, recognizing their continued interest and helping to ensure that qualified families have a strong opportunity to access affordable homeownership.

After a family is deemed eligible, the Family Services Committee conducts an interview and home visitation with those qualified families. Each family is asked the same questions, and answers are scored. Prioritization is based on final scores. Specific criteria and weighing factors include willingness to partner with Habitat Dane, i.e. agrees to complete sweat equity hours, agrees to responsibility of home upkeep, would accept home in area we are building; comparative need; and the ability to pay a mortgage. After all interviews and reviews are complete, the Family Services Committee meets one final time to select the families we can accept into the program, taking into account the number of homes we have plans to build in the coming year

**City of Madison | Community Development Division
2025 Financing for Affordable Homeownership Development,
Programs and Services RFP #2025-14027**

HABITAT FOR HUMANITY OF DANE COUNTY

Habitat Dane Home Repair Program (Progs: Minor Home Repair)

Response Submission Due Date: October 31, 2025 at Noon Central Time.

Instructions to applicants:

Please respond briefly and succinctly to the questions below, in-line, unless otherwise specific (e.g. if additional documentation is requested), with a maximum 1/3 page response per question. Use this Word document to record your answers and return the completed document to CddApplications@CityOfMadison.Com with cc: to MDavila-Martinez@CityOfMadison.Com. Please refrain from submitting additional documentation not specifically requested at this time or using alternative formats.

Questions:

1. Provide a more detailed overview of your Minor Home Repair process—from homeowner intake and eligibility determination through to project completion and closeout? Specifically, describe how you:
 - a. Verify eligibility and income documentation for CDBG compliance;
 - i. Habitat Dane requires applicants to provide recent paystubs from all current employers, benefit letters from agencies, and documents to validate support payments. In addition, tax returns and W-2 forms are reviewed, and verifications of current and past employers are requested from these companies. In situations where the employer does not or will not complete a verification or uses third party pay-for-verification services, the applicant must provide additional pay stubs. Verifications of benefits and other income are also completed and compared to information provided on the application.
 - b. Conduct home inspections and scope development;
 - i. Once an application is submitted from a homeowner, it is reviewed by our Family Services team for income requirements and program eligibility. Our construction team reviews the repair application, and we utilize a template for home inspection that contains a checklist for

our internal use to create a scope of work. The construction team visits the home to document the necessary repair work, including work discussed in program application.

- c. Incorporate required Environmental Review steps (including radon and lead testing, if applicable);
 - i. Per our checklist for scope of work development, these environmental reviews for health and safety are observed during scope development.
 - d. Prioritize and schedule projects;
 - i. We prioritize projects in the following order: 1. Health, Safety, and Accessibility; 2. Improved Energy Efficiency and 3. Functionality. Scheduling depends on the type of work and availability of subcontractors.
 - e. Complete and document the repair work; and
 - i. An MOU is issued for the homeowner to sign prior to the start of repair work, so there is a shared understanding of the work that will be completed. Once work is finalized, the homeowner will sign the - completion form stating that the work has been completed and approved.
 - f. Close out the project, including verification of work completion and beneficiary reporting.
 - i. Beneficiary information tracked in an internal Salesforce database. Closeout of project and work completion verification is done by the construction team.
 - g. What is your typical turnaround time for each phase, and how do you manage coordination when Environmental Reviews or specialized testing introduce delays?
 - i. Average turnaround time for application review is two to three weeks. We close application cycles when we reach capacity. Our scheduling software, BuilderTrend, allows for adjusting timelines and schedules when environmental testing is required or delays occur. Our average wait time to start an approved project is 1 to 2 months. Completion time once work begins can range from 2 to 12 weeks depending on the scale and complexity of the project and subcontractor lead time.
2. For staff involved in eligibility determination, inspection, construction oversight, and compliance reporting:
- a. What recent certifications, trainings, or credentials do they hold that are relevant to administering federally funded (CDBG) repair programs? Have

there been any recent staff capacity changes or professional development initiatives aimed at strengthening compliance or technical expertise in these areas?

- i. Director of Community Services has extensive experience managing a CDBG Home Repair Program. As Director of Community Services for City of Beloit, he managed the CDBG Home Repair program for the city, and later, as the Community Planning and Development Representative at the Department of Housing and Urban Development, he worked with grantees to manage CDBG, HOME and Continuum of Care grants.

Habitat Dane is committed to expanding and improving the Home Repair Program. We have recently added a Manager of Community Services position who will be tasked with project managing the home repair program. The new team member has run and managed compliance for the home repair program for Habitat for Humanity Twin Cities in Minnesota for 3 years; she has a Masters of Social Work, which will serve the organization well as she becomes the primary contact for families.

- 3. What does your current waitlist look like for minor home repair services (e.g., number of households, average waiting time)?
 - a. The average wait time for services for approved projects is 1 to 2 months. We don't maintain a waiting list. We close the application cycle when we are at capacity.
 - b. What is the average out-of-pocket cost to the homeowner, if any?
 - i. We ask families to pay a \$500 flat fee for services.
 - c. How many applications are denied each year, and what are the most common reasons for denial (e.g., income ineligibility, scope too large, property condition, etc.)?
 - i. The most common reasons for application denials are 1. Homeowner does not meet income eligibility requirements, 2. The condition of the property causes an unsafe situation for construction staff or contractors and 3. The scope of work is too large. The number of applications and projects has varied significantly over the years. For the current cycle, we have denied two applications, one because of income ineligibility and one due to the condition of the property. We have nine approved and going through the process, seven applications where we are waiting on additional information from the homeowners, and four applications under review.

- d. How do you prioritize applicants when resources are limited or when total repair costs exceed available funding to the household?
 - i. We prioritize projects in the following order: 1. Health, Safety, and Accessibility, 2. Improved Energy Efficiency, and 3. Functionality
- 4. Describe how you select and manage subcontractors for your minor home repair projects.
 - a. What steps do you take to ensure transparency and fairness in subcontractor selection?
 - i. We maintain a pool of potential subcontractors, and we request bids from all applicable contractors for the project type and scope of work.
 - b. How are you working to meet or exceed Minority-, Women-, and Disadvantaged-Owned Business Enterprise (MWDBE) participation goals?
 - i. We are able to add the City of Madison list of subcontractors that meet these goals to our list of subcontractors. We will include any new subcontractors when we request bids.
 - c. Do you maintain an outreach or rotation system to ensure equitable contracting opportunities for small and emerging local businesses?
 - i. We reach out to all subcontractors in our pool based on the project type and scope of work.
- 5. Describe how you are currently advertising the Minor Home Repair Program—specifically, where and how outreach occurs (e.g., online, print, radio, direct mail, partner referrals, etc.)?
 - i. Habitat Home Repair is advertised on TV, Facebook, Instagram, and YouTube throughout Dane County. News releases about the program are sent to newspapers in Deerfield/Cambridge, Fitchburg, Madison, McFarland, Middleton, Monona, Mt. Horeb, Oregon, Stoughton, Sun Prairie, Town of Madison, Verona, and Windsor. Additional outreach is conducted through partnerships with local organizations, schools, faith communities, and the Dane County Veterans Service Office, in addition to self-referrals through Habitat Dane’s website and communications.
 - b. What methods or channels have proven most effective in reaching eligible households?
 - i. We do not currently track how our minor home repair clients heard about the program but intend to do so in the future.
 - c. How are you tailoring your outreach to reach older adults/seniors and veterans in particular?

- i. With recent funding dedicated to veteran homeowners, we have reached out to veteran organizations in the Dane County and Madison area and created veteran specific flyers, Facebook, and Instagram ads. We do not currently do tailored outreach to seniors but would like to explore this in the future.
- 6. Your current budget shows that all funds requested from the City are to be used to subsidize household project costs. Confirm this is accurate and that Habitat is not requesting funds for service delivery?
 - i. We will only use funds for service delivery if it's an allowable cost.
 - b. If any portion is being retained for program delivery, clarify how those costs are calculated and reported for CDBG compliance.
 - i. We incur administrative costs, primarily staff salaries, to administer the home repair program. We follow guidelines for all grant funding, including CDBG funds, and will only reimburse administrative costs when it's an allowable expense under the grant agreement. In our previous experience, for minor home repair grant agreements that allow using funds for service delivery, we are given a fixed percentage of the grant award to cover administrative costs in the 5-10% range; this is how we've calculated it in the past. We anticipate most of our home repair projects will cost more than \$5,000 and we can use CDBG funds only for housing project costs if that's what City of Madison prefers.
 - c. How do you advertise broadly and then how do you advertise more targeted (seniors and veterans)?
 - i. Answered in #5.