

**STAFF REVIEW OF PROPOSALS FOR YEAR 2009-10
COMMUNITY/NEIGHBORHOOD DEVELOPMENT FUNDS**

1. **Project Name/Title:** Vaughn Commons
2. **Agency Name:** Common Wealth Development
3. **Requested Amount:** \$378,000 2009
\$ 2010
4. **Project Type:** New Continuing (Prior Year Level \$ _____)

5. **Framework Plan Objective Most Directly Addressed by Proposed Activity:**

- | | |
|---|--|
| <input type="checkbox"/> A. Housing – Owner-occupied housing | <input type="checkbox"/> G. Strengthening Madison’s Neighborhoods – Civic places |
| <input checked="" type="checkbox"/> B. Housing – Housing for homebuyers | <input type="checkbox"/> L. Strengthening Madison’s Neighborhoods – Comprehensive revitalization |
| <input checked="" type="checkbox"/> D. Housing – Rental housing | <input type="checkbox"/> M1. Access to Community Resources – Low/moderate income persons seeking housing |
| <input type="checkbox"/> E. Business Development – Business creating jobs | <input type="checkbox"/> M2. Access to Community Resources – Homeless services |
| <input type="checkbox"/> F. Business Development – Micro-business | <input type="checkbox"/> K. Access to Community Resources – Capital facilities |

6. **Product/Service Description:**

Common Wealth is seeking funds to purchase Vaughn Common Housing site from the limited partner investors in order to maintain the units as affordable housing.

7. **Anticipated Accomplishments (Numbers/Type/Outcome):**

Common Wealth will acquire 8 units of housing, maintain 7 of the units as affordable rental units for families < 80% AMI and turn one unit into an owner occupied unit for a household < 80% AMI, under their existing lease purchase contract.

Total Cost/Total Beneficiaries Equals: 896,204 preserves 8 existing affordable housing units

426,054 for 8 units; \$54,000 for each rental unit and

CD Office Funds/CD-Eligible Beneficiaries Equals: \$48,054 of their existing program income funds for the owner occupied lease purchase unit.

CD Office Funds as Percentage of Total Budget: 48%

8. **Staff Review (content, strengths/weaknesses, issues):**

This is a project which the CDBG Office originally assisted 15 years ago with a long term deferred loan of \$31,000. This loan will be repaid upon the acquisition of the properties by Common Wealth.

CDBG funds are being requested to assist Common Wealth to acquire and rehabilitate a low income tax credit property where they have been acting as general partner for 15 years. The properties tax credits have expired and the limited partners are seeking to sell their interest in the project. Common Wealth wants to buy out the limited investors, rehabilitate each of the 8 units; maintain 7 of them as affordable rental units and have 1 unit become an owner occupied unit through the lease purchase program. If Common Wealth does not buy out the limited investors they will sell the units on the open market and the affordability of the units may be lost

The rental units currently serve 5 households with incomes between 50 and 80% AMI and 2 households with incomes less than 50% AMI. The single family home is currently vacant.

By assisting this project we help maintain existing affordable rental units at the same time we increase the options for affordable owner occupied units in the Marquette Neighborhood.

Common Wealth is requesting only 6% of the funds for the rental units be applied to soft costs. They are intending to use \$ 48,054 of their lease purchase CDBG program income contract funds toward the acquisition and rehabilitation of the lease purchase unit at 1120 Williamson Street.

Date of Review: 6/23/2008

Staff Reviewer: Barb Constans

Technical and Regulatory Issues	Project information
Within unit, capital, mortgage limits	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no
Within Subsidy layering limits	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no
Environmental Review issues	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no
Eligible project	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no
Conflict of interest	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no
Church/State issues	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no
Accessibility of program	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no
Accessibility of structure	<input type="checkbox"/> yes <input checked="" type="checkbox"/> no
Lead-based paint issues	<input type="checkbox"/> yes <input checked="" type="checkbox"/> no
Relocation/displacement	<input type="checkbox"/> yes <input checked="" type="checkbox"/> no
Zoning restrictions	<input type="checkbox"/> yes <input type="checkbox"/> no
Inclusionary Zoning	<input type="checkbox"/> yes <input checked="" type="checkbox"/> no
Fair Labor Standards	<input type="checkbox"/> yes <input type="checkbox"/> no
Vulnerable populations	<input type="checkbox"/> yes <input checked="" type="checkbox"/> no
Matching Requirement	<input type="checkbox"/> yes <input type="checkbox"/> no
Period of Affordability for HOME funds	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no
Supplanting issues	<input type="checkbox"/> yes <input checked="" type="checkbox"/> no
Living wage issues	<input type="checkbox"/> yes <input checked="" type="checkbox"/> no
MBE goal	<input type="checkbox"/> yes <input checked="" type="checkbox"/> no
Aldermanic/neighborhood communication	<input type="checkbox"/> yes <input type="checkbox"/> no
Management issues:	<input type="checkbox"/> yes <input checked="" type="checkbox"/> no