

11. To what extent is the agency's proposed budget reasonable and realistic, able to leverage additional resources, and demonstrate sound fiscal planning and management?

Staff Comments: CDBG has worked with Habitat on housing development projects over the past 10-15 years. Specific construction budgets would have been reviewed and costs would have been appropriate, or modified is needed. However, the financial information in this proposal is unclear and does not provide adequate basis to determine if the proposed budget is realistic.

The Program Description page lists Program A budget as \$2,278,150 with \$560,000 from CDBG. 10 houses would be produced for Program A at a cost of \$227,815/house (\$56,000/house of CDBG). The CDBG Supplement Capital Budget lists the program A budget as \$910,000 with \$560,000 from CDBG for a cost of \$91,000/house. The Real Estate and Owner Occupied property information on the CDBG Supplement pages are not filled out so it is difficult to determine the correct information regarding unit cost.

More detail regarding the project development budget is necessary before a recommendation is made for project funding.

Habitat's program design does an excellent job at leveraging other resources from cash donations to volunteer labor.

12. To what extent does the agency's proposal demonstrate efforts and success at securing a diverse array of support, including volunteers, in-kind support and securing partnerships with agencies and community groups?

Staff Comments: 4,000 volunteers contribute 55,000 hours to support the mission of Habitat. This volunteer labor helps keep the cost of the house affordable.

The Program Budget lists over \$600,000 in donations in addition to revenue generated by the Restore. The homebuyer provides 325-375 hours of sweat equity. This is a unique and beneficial part of this project as it not only helps reduce labor costs but it promotes investment of the buyer into the house.

13. To what extent does the applicant propose services that are accessible and appropriate to the needs of low income individuals, culturally diverse populations and/or populations with specific language barriers and/or physical or mental disabilities?

Staff Comments: All of Habitat's participants are low income. All Habitat buyers attend a homebuyer education class to assist with long term success.

Habitat builds houses to meet the needs of the homebuyer. If a homebuyer needs accessible housing, Habitat builds the home to accommodate the specific needs.

Habitat has materials printed in multiple languages and uses translators when needed to meet the specific language needs of participant.

14. To what extent does the proposal meet the technical and regulatory requirements and unit cost limits as applicable? To what extent is there clear and precise proposal information to determine eligibility?

Staff Comments: The proposal requests \$56,000 per unit. The CDBG Framework allows up to \$60,000 per unit for projects that incorporate energy efficiency into the design. This project does propose incorporating energy efficiency into the design so it would qualify for the \$56,000 /unit. More detail is needed in the program description and Real Estate and Owner Occupied CDBG Supplement to assess the energy efficiency components proposed for this project.

Habitat has developed their projects to be in compliance with technical and regulatory requirements in the past. However, since the Real Estate and Owner Occupied CDBG Supplement information is not complete it is unclear if this proposal meets all the technical requirements.

15. To what extent is the site identified for the proposed project appropriate in terms of minimizing negative environmental issues, relocation and neighborhood or public concerns?

Staff Comments: The proposed site is on Kennedy and Northport. Habitat has developed units in this subdivision in the past. For past homes, no site issues have been identified. Although an environmental review would be required for the project, staff do not anticipate problems with the proposed sites.

No information was provided in the proposal regarding the Alder's support for the project.

16. Other comments:

Questions:

Habitat has recently completed the first 10 homes at the Northport Development, and proposes another 10 homes within this application. What are their full plans for the Northport Development project, and how does this fit into this larger vision.

Staff Recommendation

Not recommended for consideration

Recommend for consideration

Recommend with Qualifications
Suggested Qualifications:

1. Submit full details to CDBG Supplement. Clarify budget inconsistencies.
2. Clarify timeline regarding proposed activities in 2011 and 2012, including specific benchmarks.
3. Address past issues regarding capacity to complete projects as proposed. Question regarding number of units Habitat could build and sell in 2011 and 2012?
4. Clarify inconsistencies regarding personnel allocations to project.
5. Provide more detail about proposed energy efficiencies.
6. Habitat should provide a description all agency activities planned for 2011 and 2012 (e.g. Allied Phase II, Allied NSP, activity in Dane County, etc), and address concerns about capacity to meet projected timelines.