

Application for Neighborhood and Community Development Funds

Submit original and 27 complete copies of this application to the CD Office by 4:30 p.m. by the 15th of the month, to be reviewed by the CDBG Commission on the first Thursday of the following month.

Program Title: North Lawn Rehab Amount Requested: \$ 6,000
Agency: Movin' Out, Inc.
Address: 600 Williamson St. Madison, WI
Contact Person: David Porterfield Telephone: (608) 251-4446 ext 8
Email: dp@movin-out.org Fax: (608) 819-0623

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

The goal of this project is to rehab an existing rental property as part of a larger project to increase the affordable housing stock in the City of Madison as well as stabilize the housing of very low income people with disabilities. Movin' Out purchased the property located at 402 North Lawn Drive just over a year ago with the intention of remodeling/rehabbing and expanding the unit, adding an additional 3 bedroom unit making it a duplex. Movin' Out used some City HOME funds for the acquisition with the intention of remodeling the current unit at the time we added the second unit. In order to complete the rehab, we anticipate needing an additional \$6,000 in non-HOME funding (federal HOME regulations prohibit the City from investing additional HOME funds once they have done so, therefore we are requesting funds from a source other than HOME such CDBG or the Affordable Housing Trust Fund, etc.)

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

The target population for rental housing provided by Movin' Out, Inc. is adults with permanent disabilities that have an income of less than 50% of the county median. Generally the tenants are on a fixed income, share their house with at least one other person with a disability and/or a caregiver and receive support services through the Dane County Department of Human Services including contracted services provided by a residential support agency. Many of the tenants have mobility limitations or will encounter them as they age. Their cognitive abilities are limited and many have a guardian or payee. Due to the significant vulnerability of the population, relocation is extremely disruptive and generally housing stabilization is critical to their long term success as contributing members of their local communities. Racial composition of existing tenants mirrors that of the general Dane County population.

_____1_____ # unduplicated individuals estimated to be served by this project.

_____1_____ # unduplicated households estimated to be served by this project.

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

- A. Housing – Existing Owner-Occupied
- B. Housing – For Buyers
- C. Housing – Rental Housing
- E. Economic Dev. – Business Creating Jobs
- F. Economic Dev. – Micro-enterprise
- G. Neighborhood Civic Places
- K. Community-based Facilities
- L. Neighborhood Revitalization
- N. Access to Housing Resources

Rehab of the existing unit will insure the property will assure the rental unit can be made available in perpetuity to very low income households in the City of Madison.

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

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

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

EXPENDITURES	TOTAL PROJECT COSTS	AMOUNT OF CD REVENUES	AMOUNT OF NON-CD REVENUES	SOURCE OF NON-CD FUNDED PORTION
A. Personnel Costs				
1. Salaries/Wages (attach detail)				
2. Fringe Benefits				
3. Payroll Taxes				
B. Non-Personnel Costs				
1. Office Supplies/Postage				
2. Telephone				
3. Rent/Utilities				
4. Professional Fees & Contract Services				
5. Work Supplies and Tools				
6. Other:				
C. Capital Budget Expenditures (Detail in attachment C)				
1. Capital Cost of Assistance to Individuals (Loans)				
2. Other Capital Costs:			\$16,000	Owner Equity
HOME		\$47,500	37,106	1 st Mortgage
NON-HOME (This request)		6,000	48,600	Soft 2 nd Mortg
			5,000	FHLB AHP
D. TOTAL (A+B+C)	\$160,206	\$53,500	\$106,706	

6. **Action Plan/Timetable**

Estimated Month of Completion (if applicable)

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

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

Activity	Who	Month of Completion
1. Produce estimated budget for rehab	Developer MOI	May 2008
2. Submit Application for CD funding to City	Developer MOI	May 2008
3. Contract for accessibility design	Developer MOI	June 2008
4. Sign contract with City	Director MOI	July 2008
5. Secure bids for rehab work	Developer MOI	August 2008
6. Sign Construction Contracts	Developer MOI	August 2008
7. First Draw of City Funds	Director MOI	September 2008
8. Sign construction contract(s)	Director MOI	September 2008
9. Begin construction	Developer MOI	September 2008
10. Temporary relocation of tenants (if necessary)	DCDHS	October 2008
11. Second Draw of City Funds	Director MOI	October 2008
12. Construction Complete	DCDHS	November 2008
13. Tenants move back into property	Developer MOI	November 2008
14. Project completion	Developer MOI	December 2008

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

Larry Palm, District 15; 692-8416
district15@cityofmadison.com

Mr. Palm stated that he approves of the proposal in general and will want to meet at the site to review the specifics. That meeting is set to occur the week of May 12th.

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

No Complete Attachment A

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

D Facilities

E Housing for Buyers

F Rental Housing and Pro forma

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

No

Yes - Complete Attachment G

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

No

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

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

No

Yes - Complete Attachment I

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

Future Fund (Attachment A)

Property Description (Attachment B)

Capital Budget (Attachment C)

Community Service Facility (Attachment D)

Housing for Resale (Attachment E)

Rental Housing and Pro forma (Attachment F)

CHDO (Attachment G)

Scattered Site Funds Addendum (Attachment H)

ESG Funding Addendum (Attachment I)

Signature: *Jean M. MacCubbin, Pres.*
President-Board of Directors/Department Head

Date: 5/14/08

Signature: *Howard ...*
Executive Director

Date: 5 15 2008

For additional information or assistance in completing this application, please contact the CD Office at 267-0740.

ATTACHMENT B

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

ADDRESS	ACTIVITY (Circle Each Applicable Phase)	NUMBER OF UNITS		Number of Units Currently Occupied	Number of Tenants To Be Displaced?	APPRAISED VALUE:		PURCHASE PRICE (if Applicable)	ACCESSIBLE TO INDIVIDUALS WITH PHYSICAL HANDICAPS?		PRIOR USE OF CD FUNDS IN BUILDING?
		Prior to Purchase	After Project			Current Assessed Value	After Rehab/Construction*		Currently?	Post-project?	
420 North Lawn Ave	Purchase Rehab Construct	1	1	1	0				No	Yes	Yes
	Purchase Rehab Construct										
	Purchase Rehab Construct										

* Estimated value -- to be determined

CAPITAL BUDGET

	source	HOME	Trust Fund	First Mortgage	Soft 2nd	FHLB AHP	Owner Equity
	terms	deferred loan	REQUESTING	market tbd	Deferred loan with shared equity	forgivable loan	na
Acquisition Costs:	TOTALS						
Acquisition	\$126,410	\$37,480	\$4,734	\$29,278	\$38,348	\$3,945	\$12,625
Title Insurance and Recording	\$230	\$68	\$9	\$53	\$70	\$7	\$23
Appraisal	\$150	\$44	\$6	\$35	\$46	\$5	\$15
*Predevlpmt/feasibility/market study	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Survey	\$1,500	\$445	\$56	\$347	\$455	\$47	\$150
*Marketing/Affirmative Marketing	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Relocation	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other: ort Orig Fee	\$150	\$44	\$6	\$35	\$46	\$5	\$15
Construction:							
Construction Costs	\$16,200	\$4,803	\$607	\$3,752	\$4,914	\$506	\$1,618
Soils/site preparation							
Construction management	\$500	\$148	\$19	\$116	\$152	\$16	\$50
Landscaping, play lots, sign	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Const interest	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Permits; print, plans/specs	\$375	\$111	\$14	\$87	\$114	\$12	\$37
Other: Insurance	\$200	\$59	\$7	\$46	\$61	\$6	\$20
Fees:							
Architect	\$1,000	\$296	\$37	\$232	\$303	\$31	\$100
Engineering	\$1,000	\$296	\$37	\$232	\$303	\$31	\$100
*Accounting	\$0	\$0	\$0	\$0	\$0	\$0	\$0
*Legal	\$2,000	\$593	\$75	\$463	\$607	\$62	\$200
*Development Fee	\$5,264	\$1,561	\$197	\$1,219	\$1,597	\$164	\$526
*Leasing Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other:	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Project Contingency:	\$1,449	\$430	\$54	\$336	\$440	\$45	\$145
Furnishings:	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserves Funded from Capital:							
Operating Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Replacement Reserve	\$2,880	\$854	\$108	\$667	\$874	\$90	\$288
Maintenance Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Reserve	\$897	\$266	\$34	\$208	\$272	\$28	\$90
Lease Up Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other							
(specify): First Year Prop Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other (specify):	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL COSTS:	\$160,206	\$47,500	\$6,000	\$37,106	\$48,600	\$5,000	\$16,000

RESIDENTIAL RENTAL PROPERTY

A. Provide the following information for rental properties:

Table A: RENTAL						
Site 1			Site 2		Site 3	
Unit #	# of Bedrooms	Amount of CD \$	Use of CD Funds*	Monthly Unit Rent	Includes Utilities?	Household Income Category
1	2	\$6,000	Rehab	\$621	No	<50% CMI

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

The rehab project is intended to improve the housing quality. Movin' Out will be contracting with a licensed architect to develop the required plans and specifications and will also assist in supervising the construction. A permit will need to be pulled to do the rehab work, thus a city inspection will occur. In addition inspections conducted by the contractor and a final inspection by the Movin' Out real estate developer will occur prior to project completion.

C. Describe briefly your tenant selection criteria and process.

The property is currently occupied by one tenant who has a permanent disability and is provided support services by Dane County Department of Human Services. At a future time when this tenant dies or otherwise relocates, Movin' Out, Inc. will work with the Dane County Department of Human Services to identify a new tenant based on income and eligibility criteria as well as matching the tenant to the property based on the tenant's support needs (location of providers, bus routes, access to places frequented, etc.)

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

The existing tenant receives support services and will continue to do so. The tenant population in all rental units owned and managed by Movin' Out, receives support services from the county human services agency. Prior to becoming a Movin' Out tenant each person has had a comprehensive, individualized assessment and service plan developed by the county case manager or support broker assigned to work with him or her. Any needed services provided directly to tenants, other than housing counseling and property management, are provided by agencies other than Movin' Out.

ATTACHMENT F
(continued)

TOTAL PROJECT PROFORMA (total units in the project)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
Revenue															
Gross Income	\$7,476	\$7,626	\$7,778	\$7,934	\$8,092	\$8,254	\$8,419	\$8,588	\$8,759	\$8,935	\$9,113	\$9,295	\$9,481	\$9,671	\$9,864
Less Vacancy	(\$150)	(\$154)	(\$159)	(\$163)	(\$168)	(\$173)	(\$179)	(\$184)	(\$189)	(\$195)	(\$201)	(\$207)	(\$213)	(\$220)	(\$226)
Net Income	\$7,326	\$7,472	\$7,619	\$7,770	\$7,924	\$8,081	\$8,241	\$8,404	\$8,570	\$8,739	\$8,912	\$9,088	\$9,268	\$9,451	\$9,638
Expenses															
Audit	-240	(\$247)	(\$255)	(\$262)	(\$270)	(\$278)	(\$287)	(\$295)	(\$304)	(\$313)	(\$323)	(\$332)	(\$342)	(\$352)	(\$363)
Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance	(\$375)	(\$386)	(\$398)	(\$410)	(\$422)	(\$435)	(\$448)	(\$461)	(\$475)	(\$489)	(\$504)	(\$519)	(\$535)	(\$551)	(\$567)
Maintenance	(\$795)	(\$819)	(\$843)	(\$869)	(\$895)	(\$922)	(\$949)	(\$978)	(\$1,007)	(\$1,037)	(\$1,068)	(\$1,100)	(\$1,133)	(\$1,167)	(\$1,203)
Utilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Property Management	(\$1,045)	(\$1,076)	(\$1,109)	(\$1,142)	(\$1,176)	(\$1,211)	(\$1,248)	(\$1,285)	(\$1,324)	(\$1,363)	(\$1,404)	(\$1,447)	(\$1,490)	(\$1,535)	(\$1,581)
Operating Reserve Pmt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Replacement Reserve Pmt	(\$1,200)	(\$1,236)	(\$1,273)	(\$1,311)	(\$1,351)	(\$1,391)	(\$1,433)	(\$1,476)	(\$1,520)	(\$1,566)	(\$1,613)	(\$1,661)	(\$1,711)	(\$1,762)	(\$1,815)
Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Affirmative Marketing	(\$240)	(\$247)	(\$255)	(\$262)	(\$270)	(\$278)	(\$287)	(\$295)	(\$304)	(\$313)	(\$323)	(\$332)	(\$342)	(\$352)	(\$363)
Other	(\$50)	(\$52)	(\$53)	(\$55)	(\$56)	(\$58)	(\$60)	(\$61)	(\$63)	(\$65)	(\$67)	(\$69)	(\$71)	(\$73)	(\$76)
Total Expenses	(\$3,945)	(\$4,063)	(\$4,185)	(\$4,311)	(\$4,440)	(\$4,573)	(\$4,711)	(\$4,852)	(\$4,997)	(\$5,147)	(\$5,302)	(\$5,461)	(\$5,625)	(\$5,793)	(\$5,967)
NET OPERATING INCOME															
Debt Service															
First Mortgage	(\$2,858)	(\$2,858)	(\$2,858)	(\$2,858)	(\$2,858)	(\$2,858)	(\$2,858)	(\$2,858)	(\$2,858)	(\$2,858)	(\$2,858)	(\$2,858)	(\$2,858)	(\$2,858)	(\$2,858)
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Debt Service	(\$2,858)	(\$2,858)	(\$2,858)	(\$2,858)	(\$2,858)	(\$2,858)	(\$2,858)	(\$2,858)	(\$2,858)	(\$2,858)	(\$2,858)	(\$2,858)	(\$2,858)	(\$2,858)	(\$2,858)
Total Annual Cash Expenses	(\$3,945)	(\$4,063)	(\$4,185)	(\$4,311)	(\$4,440)	(\$4,573)	(\$4,711)	(\$4,852)	(\$4,997)	(\$5,147)	(\$5,302)	(\$5,461)	(\$5,625)	(\$5,793)	(\$5,967)
Debt Service Reserve	(\$395)	(\$406)	(\$419)	(\$431)	(\$444)	(\$457)	(\$471)	(\$485)	(\$500)	(\$515)	(\$530)	(\$546)	(\$562)	(\$579)	(\$597)
Cash Flow	\$129	\$143	\$157	\$170	\$181	\$192	\$201	\$208	\$214	\$219	\$222	\$223	\$223	\$220	\$216
Assumptions:															
Agency Rate	\$523	\$550	\$576	\$601	\$625	\$649	\$672	\$693	\$714	\$734	\$752	\$769	\$785	\$800	\$813
Annual Increase	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Carrying Charges	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Expenses	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%

COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO) ONLY

A. Please describe how the organization meets the following key criteria:

- Yes a. Possesses not-for-profit, tax exempt 501(c) status;
Movin' Out has had tax exempt status since 1996.
- Yes b. Has a board with fewer than 1/3 of its members as public officials;
There are currently no public officials on the board of directors.
- Yes c. Includes provision of affordable housing within its statement of purpose;
The agency's mission statement reads as follows: Movin' Out, in partnership with people with disabilities and their allies, creates and sustains community-integrated, safe and affordable housing solutions.
- Yes d. Includes lower income or lower income representatives for a minimum of 1/3 of its board and includes a means for lower-income participation;
A minimum of one third of the board is comprised of people whose income is at 80% or less of the Dane County median.
- Yes e. Demonstrates its capacity and experience in service to the community.
Movin Out currently owns and manages 16 rental units of which 13 are located in Dane County (12 in the City of Madison). Since 1996 Movin' Out has assisted almost 200 households in Dane County to purchase their first home, rehab an existing home or add accessibility modifications to their home. Movin' Out also operates the country's first pooled housing trust, offers one on one housing counseling and housing planning services, and has provided information and referral services to thousands of Dane County residents.