

**PROPOSAL REVIEW: Individual Staff Review for 2011-2012
For Community Resources Proposals to be Submitted to the
CDBG Committee**

1. **Program Name:** MACLT Passive Home Program

2. **Agency Name:** MACLT

3. **Requested Amounts:** **2011:** \$60,000
 2012: \$60,000 **Prior Year Level:** \$0.00

4. **Project Type:** New Continuing

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

- | | |
|---|---|
| <input type="checkbox"/> A. Housing – Owner – occupied housing | <input type="checkbox"/> J. Improvement of services to homeless and special populations |
| <input checked="" type="checkbox"/> B. Housing – Housing for homebuyers | <input type="checkbox"/> X. Access to Resources |
| <input type="checkbox"/> D. Housing – Rental housing | <input type="checkbox"/> K. Physical improvement of community service facilities |
| <input type="checkbox"/> E. Business development and job creation | |
| <input type="checkbox"/> F. Economic development of small businesses | |
| <input type="checkbox"/> L. Revitalization of strategic areas | |

6. **Anticipated Accomplishments (Proposed Service Goals)**

Plan to build 2 single-family homes (one each year) that meet a new design in energy efficiency. MACLT plans on using Passive Home design. Prototype is being developed this summer/fall to ensure homes will attain certification once built in Wisconsin.

7. **To what extent does the proposal meet the Objectives of the Community Development Program Goals and Priorities for 2011-2012?**

Staff Comments: Objective B- Housing For Buyers: Funds are being used to construct energy efficient and affordable housing by using the Land Trust model.

8. **To what extent is the proposed program design and work plan sufficiently detailed to demonstrate the ability to result in a positive impact on the need or problem identified?**

Staff Comments: This will be a new building design in City of Madison which could bring positive marketing to affordable housing. The fact that MACLT is planning to find qualified homebuyers prior to building will make the program successful as well since they will not be marketing the house after construction. The fact that MACLT is only planning on building one unit per year is a positive start to this new building process. The Passive Home design will make the unit as energy efficient as possible.

9. **To what extent does the proposal include objectives that are realistic and measurable and are likely to be achieved within the proposed timeline?**

Staff Comments: With the marketing strategy MACLT has planned and the possible publicity this home could attract the timeframe is manageable. However, since the prototype of this design has not been built yet there is no documentation if construction takes the same timeframe as normal housing construction.

10. **To what extent do the agency, staff and/or Board experience, qualifications, past performance and capacity indicate probable success of the proposal?**

Staff Comments: MACLT has had success with CDBG funded projects in the past for purchase and construction of new units. However, we did not fund them in 2010. The Executive Director is new this year but has 10 years of experience in construction applied specifically to affordable housing programs. Members of the board have a strong connection with the first time homebuyer market in Dane County.

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 funds are 35% of the total funds to be leveraged on this project. It is unclear whether construction costs of a Passive Home in Wisconsin will be any different than normal construction until the prototype is completed. MACLT does plan on getting traditional financing from a local lender. MACLT will recruit sweat-equity participation from student building programs to mitigate costs.

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: This program is going to recruit area organizations that are dedicated to construction such as the local building programs for technical schools. They will also partner with non-profits such as Operation Fresh Start and companies such as MG&E to get this design set up in the Madison area.

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: This program will be open to any LMI household. MACLT will find translators when necessary and design the house to adapt to any accessibility needs as seen fit.

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: MACLT is familiar with CDBG underwriting guidelines. Proposal requests the max amount of CDBG funds to be leveraged into each unit. The project incorporates accessibility and energy efficiency into the design. MACLT will also assure housing affordability for 98 years which is greater than the current HOME limits of 25 years. All approved means of meeting the max \$60,000 per unit.

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: At this time no site has been identified to build the new unit.

16. Other comments: CDBG funds must be used for land acquisition only when dealing with new construction

Questions:

1. What type of certification do these homes receive to be certified as "Passive Homes". What is MACLT definition of "Passive Home".
2. Is the collaboration with the student building programs realistic?
3. Time list March/April 2012 has build-out and closing. Will both homes be completed in 2012?
4. Clarification on capital budget, Cost of doing project is lower than proposed purchase price. Does MACLT plan on taking a profit from the sale of these homes?
5. Agency overview has MACLT applying for 5 new programs for 2011-2012. Agency overview of staffing indicates the Land Trust will keep only one staff member (Executive Director) to administer all of the programs. Could this be an overload of time allocation for one staff member? How would the merger with Common Wealth Development help with this issue?

17. Staff Recommendation

- Not recommended for consideration
- Recommend for consideration
- Recommend with Qualifications
Suggested Qualifications: