



REQUEST FOR PROPOSALS
HOUSING FORWARD: FINANCING FOR
HOMEOWNERSHIP DEVELOPMENT,
PROGRAMS AND SERVICES

CDBG Committee
August 04 2022

PREVIOUSLY FUNDED — 2020 HOUSING FORWARD

Agency	Amount	Funding Source
Common Wealth Development (Lease-Purchase)	\$500,000	AHF
Madison Area Community Land Trust (Acquisition-Rehabilitation) (Home Repair)	\$360,000 \$108,000	AHF CDBG
Wisconsin Partnership for Housing Development (New Construction)	\$255,000	AHF
Habitat for Humanity (Mortgage Reduction)	\$200,000	HOME
Movin' Out (Mortgage Reduction)	\$490,100	HOME
Project Home (Minor Home Repair)	\$250,000	CDBG
Urban League of Greater Madison (Homebuyer Education)	\$50,000	City Levy

GOALS

1

Improve Existing Owner-Occupied Housing Stock Preserve, upgrade and make accessibility improvements to the current inventory of affordable, owner-occupied housing units.

2

Expand the Supply of Owner-Occupied Housing Increase the number of affordable, owner-occupied housing units through new construction, renovation or conversion.

3

Homebuyer Assistance Put stable, affordable homeownership within reach of a broader mix of Madison households.

FEEDBACK

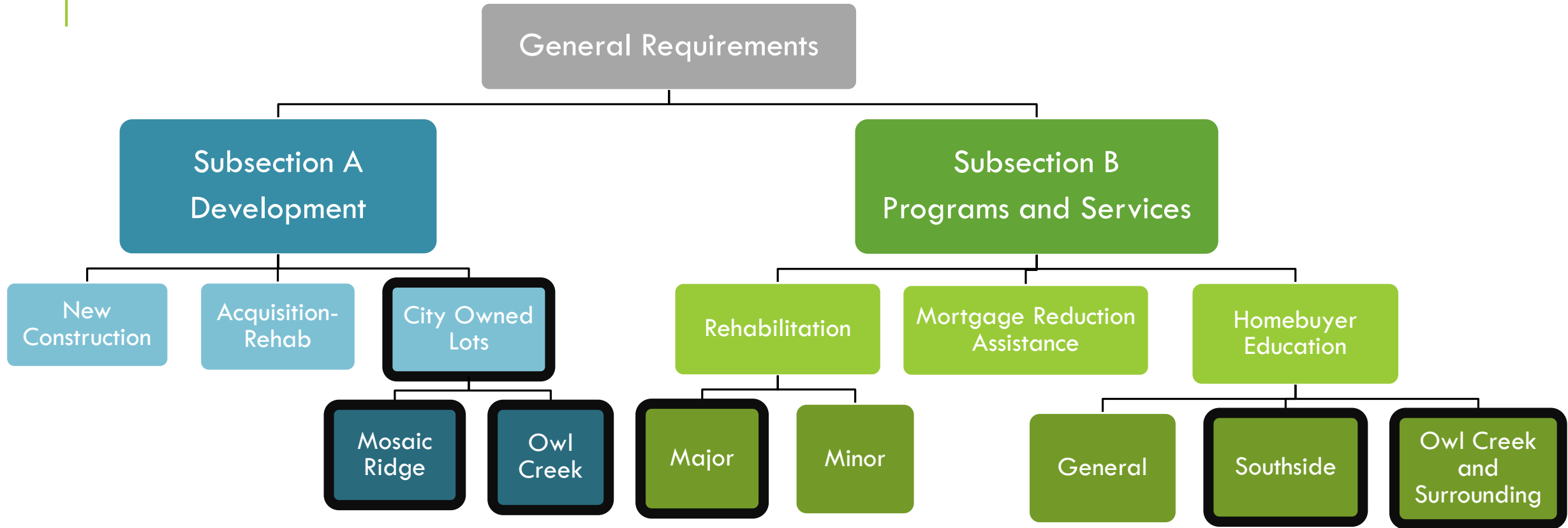
- ❖ Affordable Housing Action Alliance (AHAA): Homeownership Subgroup
- ❖ Down Payment Assistance Focus Groups
- ❖ Home Buyers Round Table of Dane County
- ❖ Housing Strategy Committee
- ❖ Third Sector (April and July)
- ❖ Voices of Faith (June)
- ❖ Listening Sessions (2) – Homebuyer Assistance
- ❖ In-person for potential applicants (July) at the Southwest Madison Employment Center



RESULTED IN:

1. Changes to Underwriting Standards
2. Additional funding for homebuyer education programming
3. Increase in per unit subsidy
4. Continue funding for Acq/Rehab
5. Remove target area requirement

STRUCTURE



- ① Improve Existing Owner-Occupied Housing Stock ② Expand the Supply of Owner-Occupied Housing ③ Homebuyer Assistance

HIGHLIGHTS — DEVELOPMENT (SUBSECTION A)

- ❖ **Eligible Applicants:** Nonprofits and Associates in Commercial Real Estate (ACRE) Graduates
- ❖ **Max Per Unit Subsidy:** Up to \$150,000
- ❖ **City-Owned Parcels:** Mosaic Ridge & Owl Creek

Mosaic Ridge (2), with preference for:

- Longer-term or Permanent Affordability; and/or
- Affordable to Household at or below 50% AMI

Owl Creek (3), with preference for:

- Multifamily Owner Occupied (Townhomes)
- Affordable to Household at or below 80% AMI

HIGHLIGHTS — PROGRAMS & SERVICES (SUBSECTION B)

- ❖ **Rehabilitation Programs (Major Rehab > \$5k or Minor Rehab <\$5k)**
- ❖ **Homebuyer Assistance:** No per household limit, but must be reasonable
- ❖ **HUD Approved Homebuyer Education**
 - General - Citywide
 - Owl Creek & Surrounding Area
 - Southside Madison

EVALUATION

- ❖ Requirements vs. Preferences
- ❖ Risks
- ❖ Staff & Financial Capacity
- ❖ Performance/Compliance

FUNDING

Funding Source	Amount
HOME	Up to \$1,500,000
CDBG	Up to \$1,300,000
AHF	Up to \$2,600,000
Home Buyer Education (City Levy)	Up to \$250,000 (Max \$50,000 per year per program)

\$5.65 Million

PROCESS & TIMELINE

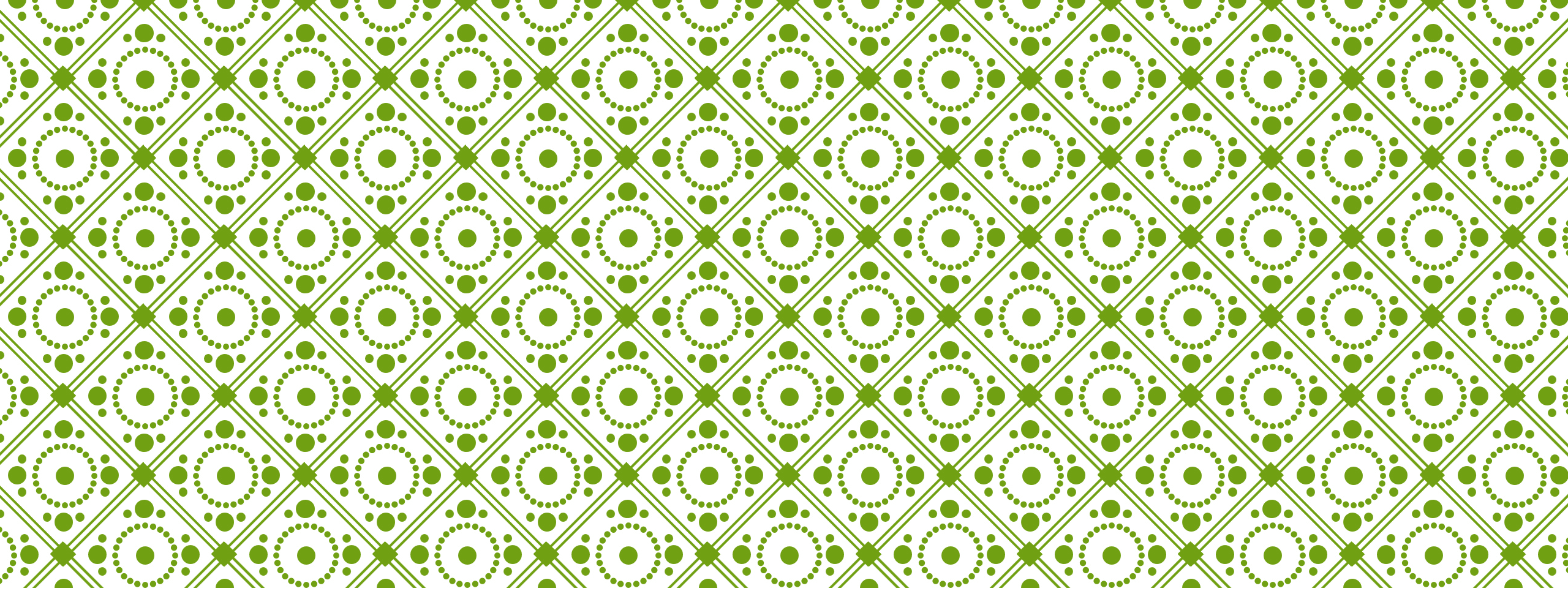
Application due September 1st at NOON

Staff Team Reviews Proposals and Develops Supplemental Questions

Applicants Present to CDBG Committee October 13th

Staff Makes Recommendations for Funding

Funding Recommendation Resolution Approval at CDBG Committee November 3rd



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