

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

1. **Program Name:** MACLT Foreclosure Prevention Fund

2. **Agency Name:** MACLT

3. **Requested Amounts:**           **2011:** \$54,000  
  **2012:** \$54,000                   **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)**

Prevent foreclosure for two households over a two year period by purchasing the land from the homeowners. This would require negotiating with the lender to provide a modification of the mortgage terms.

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. Increase homeownership opportunities for low and moderate income households. MACLT is looking to acquire the land from current owner occupied units to convert the properties to Land Trust models. This would provide additional affordable housing that could be available to future LMI households.

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:** Application does not address if there had been direct contact with lenders about this new foreclosure prevention method. Since there are some loan products that are incompatible with the Land Trust model will lenders be interested in addressing the issue? Dane Co Foreclosure Prevention Task Force has been set up to address this current issue. Dane County Housing Authority is acting as mediator with lenders and currently has funding available to assist eligible households. An issue commonly faced with lenders is limited staffing available to handle foreclosure prevention techniques that are outside of standard procedures already established. The Land Trust must also find qualified homebuyers who are in currently facing foreclosure issues but at the same time would be able to handle the new monthly payment of a modify loan.

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:** More preliminary information is needed on whether lenders and homeowners would be interested in this new modification program. Discussions with a few lenders suggest that due to legal concerns it would most likely take a lender longer than the proposed 3 months to approve this program.

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:** Executive Director has a strong background in construction of affordable housing. This program would rely heavily on the volunteers whom MACLT plan to recruit to help negotiate the legal concerns of foreclosure. Agency notes there is a potential merger in the works with Common Wealth Development. The staff capacity to handle this project would be greater with a merger of the two organizations.

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:** Budget seems realistic with regard to actual land acquisition but legal and staff costs for planning will probably be higher than anticipated.

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:** MACLT plan on working with Dane Co Foreclosure Task Force which offers education to families on prevention techniques. MACLT will hope to work with DCHA for referrals of people interested in modifying the mortgage to a Land Trust model.

**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:** Program would be available to any LMI household who has a lender willing to participate.

**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. They would be looking at purchasing the land only from each homeowner and will not go above the max unit costs approved by CDBG department.

**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:** No sites identified at this time

**16. Other comments: No supplemental pages submitted**

**Questions:**

1. Have there been discussions with lenders about the possibility of this new modification program?
2. Staffing is unclear in application, program staff (question 19) indicates 2FTE under Michael Carlson.
3. 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:**