

HOUSING FORWARD: CDD FINANCING FOR HOMEOWNERSHIP DEVELOPMENT, PROGRAMS, AND SERVICES  
APPLICATION A

**APPLICATION A: HOUSING DEVELOPMENT**

This application form should be used for projects seeking funding from City of Madison Request for Proposals **#2022-11066**; Housing Forward: CDD Financing for Homeownership Development, Programs, and Services and responding to **Subsection A – Development**. Applications must be submitted electronically to the City of Madison Community Development Division by **noon on September 1, 2022**. Email to: [cddapplications@cityofmadison.com](mailto:cddapplications@cityofmadison.com)

**APPLICANT INFORMATION**

|                                             |                                                                                                                                                                                                                               |                                      |                            |                                      |   |
|---------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|----------------------------|--------------------------------------|---|
| Proposal Title:                             | Permanently Affordable Homeownership Development                                                                                                                                                                              |                                      |                            |                                      |   |
| Amount of Funds Requested:                  | \$1,050,000                                                                                                                                                                                                                   |                                      | Amount Requested Per Unit: | \$150,000                            |   |
| Type of Construction:                       | <input checked="" type="checkbox"/> New Construction (NC) <input checked="" type="checkbox"/> Acquisition/Rehabilitation <input checked="" type="checkbox"/> NC Owl Creek <input checked="" type="checkbox"/> NC Mosaic Ridge |                                      |                            |                                      |   |
| Type of Project:                            | <input checked="" type="checkbox"/> Single/Multi-Family Homeownership <input type="checkbox"/> Lease-Purchase <input type="checkbox"/> Condominium <input type="checkbox"/> Cohousing                                         |                                      |                            |                                      |   |
| Total Number of Units:                      | 7                                                                                                                                                                                                                             | Number of Affordable Units <80% CMI: | 7                          | Number of Affordable Units <50% CMI: | 0 |
| Name of Applicant:                          | Madison Area Community Land Trust with Wisconsin Partnership for Housing Development and Kaba Baal LLC                                                                                                                        |                                      |                            |                                      |   |
| Mailing Address:                            | 2702 International Ln STE 200                                                                                                                                                                                                 |                                      |                            |                                      |   |
| Telephone:                                  | 608-285-2691                                                                                                                                                                                                                  |                                      | Fax:                       |                                      |   |
| Project / Program Contact:                  | Olivia Williams                                                                                                                                                                                                               |                                      | Email:                     | olivia@maclt.org                     |   |
| Financial Contact:                          | Olivia Williams                                                                                                                                                                                                               |                                      | Email:                     | olivia@maclt.org                     |   |
| Website:                                    | www.maclt.org                                                                                                                                                                                                                 |                                      |                            |                                      |   |
| Legal Status:                               | <input checked="" type="checkbox"/> ACRE Graduate [anticipated by time of disbursement] <input checked="" type="checkbox"/> Non-Profit <input checked="" type="checkbox"/> Non-Profit (CHDO)                                  |                                      |                            |                                      |   |
| Federal EIN:                                | 39-1680095                                                                                                                                                                                                                    |                                      | SAM/UEI #                  | 785543500                            |   |
| Registered on SAM:                          | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No                                                                                                                                                           |                                      |                            |                                      |   |
| Community Housing Development Organization: | <input checked="" type="checkbox"/> Yes [WPHD] <input type="checkbox"/> No <input type="checkbox"/> CHDO Application Attached                                                                                                 |                                      |                            |                                      |   |

**AFFIRMATIVE ACTION**

If funded, applicant hereby agrees to comply with the City of Madison Ordinance 39.02 and file either an exemption or an affirmative action plan with the Department of Civil Rights. A Model Affirmative Action Plan and instructions are available at <https://www.cityofmadison.com/civil-rights/contract-compliance/affirmative-action-plan>.

**LOBBYING REGISTRATION**

Notice regarding lobbying ordinance: If you are seeking approval of a development that has over 40,000 gross square feet of non-residential space, or a residential development of over 10 dwelling units, or if you are seeking assistance from the City with a value of over \$10,000 (this includes grants, loans, TIF, or similar assistance), then you likely are subject to Madison's lobbying ordinance, sec. 2.40, MGO. You are required to register and report your lobbying. Please consult the City Clerk for more information. Failure to comply with the lobbying ordinance may result in fines of \$1,000 to \$5,000. You may register at <https://www.cityofmadison.com/clerk/lobbyists/lobbyist-registration>.

**CITY OF MADISON CONTRACTS**

If funded, applicant agrees to comply with all applicable local, state and federal provisions. A sample contract that includes standard provisions may be obtained by contacting the Community Development Division at (608) 266-6520.

If funded, the City of Madison reserves the right to negotiate the final terms of a contract with the selected agency.



## SIGNATURE OF APPLICANT

August 31, 2022

Name: Olivia Williams Date:

By submitting this application, I affirm that the statements and representations are true to the best of my knowledge.

By entering your initials in this box initials you are electronically signing your name as the submitter of the application and agree to the terms listed above.

## PROPOSAL OVERVIEW

**Provide a brief overview or abstract of your proposal.** Include how your proposal meets the goals and objectives, and if applicable, responds to preferences outlined in the RFP. Include the impact of your proposed program on the community, key characteristics, and if applicable, targeted populations to be served. Examples of target populations can include BIPOC, LGBTQ+, immigrant, income-level, dis/ability, and/or individuals, households, and geographic clusters, etc.

MACLT will add 7 homes to the land trust with this award, in partnership with 2 development partners, Wisconsin Partnership for Housing Development and Kaba Bah.

WPHD will develop two homes at Mosaic Ridge, and WPHD will also acquire and rehabilitate 1 additional home in the City of Madison.

Kaba Baal LLC will also aim to do new construction of 4 attached units at lot 40, 41 or 29 in Owl Creek, but if the land is not available, the funding will be used for acquisition-rehab projects.

These homes will be added to our existing portfolio of 71 single-family homes. The 7 new homes, like all of the affordable homes in our portfolio, will be kept permanently affordable by our resale restrictions. These homes will therefore work to stabilize home values and ensure some continued affordability in Madison, where home values are increasing at rapid rates. Targeted populations include BIPOC and immigrant communities at 50-80% AMI and individuals with disabilities. These homes will also offer an option for families who may otherwise only be able to afford to rent an opportunity to invest their equity into a home, build modest wealth, and find autonomy and stability in their new home, with the long-term support of MACLT. We expect to acquire funds to make sure that at least 2 of these new homes have solar panels and accessibility measures. Having these features available at an affordable rate for multiple generations of homeowners will be an asset to the City of Madison.

## FUNDING SOURCE PREFERENCE

The funding sources allocated to this RFP have various requirements and restrictions. It is important for applicants to understand the additional federal regulations imposed on HOME and CDBG funds that the City is unable to waive. Please acknowledge which funds your organization would be willing to accept, if awarded funds through this RFP:

☒ City Levy / Affordable Housing Funds      ☒ HOME      ☒ CDBG  
[PREFER CITY LEVY]

CDD will make the final determination of the appropriate mix of financial sources to awarded proposals, based on the information identified above by applicants.

## AFFORDABLE HOUSING NEEDS

1. Describe your agency's process in identifying affordable housing needs within the City of Madison and how that process informed this proposal.

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- Specifically, describe the data used to inform the anticipated demand for the proposed target populations and how your proposal will assist in meeting that demand.

*Use the space below to answer questions 1 & 2 under affordable housing needs.*

MACLT fields calls, emails, and pre-applications from potential buyers throughout the year. Many of these potential buyers are women of color, female heads of household, and single mothers. We have more interested potential homebuyers than we have homes available and we believe the development proposed in this application will alleviate some of that need but not exceed demand. There are currently 70 people on MACLT's waiting list actively pursuing a permanently affordable home. Item #15 below regarding targeted populations details MACLT's criteria for selecting buyers, which prioritizes first-generation homebuyers, the lowest income homebuyers, those at risk of displacement, those with permanent disabilities, and larger family sizes, while still abiding by Fair Housing Law.

**AGENCY OVERVIEW**

- The City will expect agencies to leverage additional funds for each development. Describe the capacity of your agency to secure the total financing necessary to complete your proposed project (i.e. list financial commitments already secured or partnerships already obtained with other funding sources).

WPDH will continue its work with Focus on Energy to provide no-cost 7kWh solar arrays for new construction homes. Additionally, WPDH will make available \$9,000 in HCRI funding. Buyers will be assisted with utilizing a mortgage provider that can access Downpayment Plus funding from the FHLBC. Additionally, WPDH will utilize an agreement with a real estate brokerage to return a portion of the traditional 6% commission as a credit to the buyer. This credit is typically equal to 1% of the sales price.

Kaba Baal LLC will work with DNR and WEDC to leverage grants for studies and site assessment if needed for this project. Kaba Baal LLC have successfully applied for and got awarded each of these grants on other similar housing projects.

PHASE I & II Studies: These grants may cover up to 100% of the funds needed to do site studies if the project meets the qualification criterias.

WEDC- Site Assessment Grants: This grant will cover demolition and proper handling of potential site contamination materials.

WEDC-Community Development Investment: These grants generally aim to provide financial incentives to support shovel-ready and community- driven efforts.

- Describe the agency or team's experience using federal HOME or CDBG funds, and list completed projects with those funds.

Current MACLT staff have worked with CDBG funds in distributing minor home repair funds and collecting bids from contractors, and have developed two homes using City of Madison Affordable Housing Funds.

Wisconsin Partnership for Housing Development has utilized HOME and CDBG funds for more than 20 years in the development of affordable housing. These projects have ranged from single-family homes to large LIHTC multifamily projects. Projects completed with HOME/CDBG funds include: Oak Glen Phase 1, Uplands LIHTC project, eight single family homes in Janesville, four single family homes in Beloit, three single family homes in Milwaukee County, ten units of HOME rental housing in Janesville, River Flats LIHTC Project (Janesville).

3. Describe how your agency builds relationships and authentically engages with individuals and households served.
- Specifically include information on previous and new strategies to engage individuals or households (who are BIPOC, LGBTQ+, immigrant, low-to-moderate income, and/or have a dis/ability), into your agency's operations and housing programs.

One aspect of MACLT's long-term structure is to keep 1/3 to 1/2 of the board as homeowners: 3 of our own homeowners serve on our 7-person board, reflecting the needs of low-income homebuyers. MACLT also has a committee for homeowners to give additional input on decisions related to their experience in our program. This committee can give feedback to MACLT staff on issues that arise in our program, make decisions about policies that affect them, and is a networking opportunity for homeowners to get to know one another and help each other with homeownership-related issues.

4. Briefly describe your connection to relevant systems, collaborations, and networks in the homeownership system? What is your group/agency's role and how long have you been in this role? Identify any partnerships that have been or will be formed to ensure the success of the developments.

Madison Area Community Land Trust (MACLT) has been developing, rehabbing, and stewarding properties in Madison since the 1990s. Since 2020, MACLT has been re-establishing connections with partners, such as Monona Bank (our commercial lender), our 5 partnered local mortgage lenders, Alvarado Group (for realty services), Project Home (for rehabilitation services), Neighborworks Blackhawk Region (for homebuyer education services), Movin' Out (for assistance of those with disabilities), Urban Triage (for outreach about homes), and other organizations and individuals in the housing field. MACLT's role in this project is to market and sell the homes to income-eligible buyers. MACLT has a system in place for bringing buyers for our homes, and currently 70+ potential buyers on a waiting list.

WPHD is a statewide nonprofit housing developer that provides development services in cooperation with local nonprofits and governmental entities. WPHD manages the HomeStart downpayment assistance program from the Realtors Association of South Central Wisconsin Foundation and works with NeighborWorks Blackhawk Region for homebuyer education services.

Kaba Baal LLC, is a 100% Madison based, minority owned real estate investment company. Our long term goals are generation wealth building and socio-economic wellbeing for marginalized communities through home ownership. We also do invest in affordable housing within the Madison area and have 13years of experience in the local market. Our network and partnerships includes local banks and CDFIs such as Park Bank and Forward Community Investments (FCI), Madison Development corporations (MDC), UW-Madison School of Business, as well as other minority owned businesses. The CEO of Kaba Ball llc, also holds a Wisconsin license in real estate sales and Brokerage with 11years of experience in the local market.

5. Describe how your agency promotes and supports equity in internal policy and procedures and speak to the diversity of your staff.

MACLT has been making a series of changes and developing partnerships to reflect the experiences of target populations. Two of our 7 board members are people of color (one of whom is indigenous), and our board and staff have worked hard since 2020 to make our policies and practices approachable, equitable, and accessible to black, indigenous, and other people of color, though 100% of our 1.5 staff are currently white.

In the last two years, MACLT developed a point system for choosing a top buyer (previously, the first eligible applicant to respond to an email was given priority to buy a home), which prioritizes applicants based on need, risk of displacement, being a first-generation homebuyer, and having a disability that meets accessibility measures of the home. This has increased the equity of how homebuyers are chosen.

We also offer to pay for translation services for our orientation sessions for any prospective homeowners who need it, and we provide Spanish and Hmong translations of advertising materials for affirmative marketing.

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0%

6. List Percent of Staff Turnover in 2021:

7. Divide the number of resignations or terminations in calendar year 2021 by total number of budgeted positions. Do not include seasonal positions. Explain if you had 20% or more turnover rate. Discuss any other noteworthy staff retention issues or policies in place to reduce staff turnover.

0%

8. Indicate by number the following characteristics for your agency's current staff and Board of Directors. (MACLT)

| DESCRIPTOR                                                                                            | STAFF    | BOARD         |
|-------------------------------------------------------------------------------------------------------|----------|---------------|
| *These categories are identified in U.S. Department of Housing and Urban Development (HUD) Standards. |          |               |
| <b>GENDER</b>                                                                                         |          |               |
| Female                                                                                                | 1        | 5             |
| Male                                                                                                  | 1        | 2             |
| Unknown/Other                                                                                         |          |               |
| <b>TOTAL GENDER</b>                                                                                   | <b>2</b> | <b>7</b>      |
| <b>AGE</b>                                                                                            |          |               |
| Less than 18 years old                                                                                |          |               |
| 18-59 years                                                                                           | 2        | 5             |
| 60 years and older                                                                                    |          | 2             |
| <b>TOTAL AGE</b>                                                                                      | <b>2</b> | <b>7</b>      |
| <b>RACE*</b>                                                                                          |          |               |
| White/Caucasian                                                                                       | 2        | 5             |
| Black/African American                                                                                |          |               |
| Asian                                                                                                 |          | 1             |
| American Indian/Alaskan Native                                                                        |          |               |
| Native Hawaiian/Other Pacific Islander                                                                |          | 1             |
| <b>MULTI-RACIAL:</b>                                                                                  |          |               |
| Black/AA & White/Caucasian                                                                            |          |               |
| Asian & White/Caucasian                                                                               |          |               |
| Am Indian/Alaskan Native & White/Caucasian                                                            |          |               |
| Am Indian/Alaskan Native & Black/AA                                                                   |          |               |
| Balance/Other                                                                                         |          |               |
| <b>TOTAL RACE</b>                                                                                     | <b>2</b> | <b>7</b>      |
| <b>ETHNICITY</b>                                                                                      |          |               |
| Hispanic or Latino                                                                                    |          |               |
| Not Hispanic or Latino                                                                                | 2        | 7             |
| <b>TOTAL ETHNICITY</b>                                                                                | <b>2</b> | <b>7</b>      |
| <b>PERSONS WITH DISABILITIES</b>                                                                      | <b>0</b> | <b>unsure</b> |

PLEASE ATTACH THE FOLLOWING ADDITIONAL INFORMATION AND CHECK THE BOX WHEN ATTACHED:

- x A completed Application Budget Workbook A – “Development”, showing the City’s proposed financial contribution and all other proposed financing.
- x A current list of Board of Directors, with home addresses included for each board member. (MACLT)
- x Memorandum of Understanding (MOU), if this is a collaborative project. If a collaborative activity/project is proposed, applicants should describe the purpose of the collaboration, how it is expected to enhance the activity/project and how it will operate, be governed and share resources. The proposal must identify a lead agency and include a Memorandum of Understanding (MOU) signed by each of the collaborating agencies.

#### DEVELOPMENT TEAM OVERVIEW

1. Identify all key roles in your project development team (i.e. architect, legal counsel, and any other key consultants, if known) and a main point of contact including name, phone number, and address for the person that will have primary responsibility for project management.

| Wisconsin Partnership for Housing Development |                    |                       |                                 |                 |
|-----------------------------------------------|--------------------|-----------------------|---------------------------------|-----------------|
| Contact Person                                | Company            | Role in Development   | Email                           | Phone           |
| Todd Mandel                                   | WPHD               | Main Point of Contact | toddmandel@wphd.org             | 608-258-5560x34 |
| Jeff Femrite                                  | Scholz Law Offices | Attorney              | jfemrite@scholznonprofitlaw.com | 608-268-0076    |
| Jim Glueck                                    | Glueck Architects  | Architect             | glueckarch@sbcglobal.net        | 608-251-2551    |
| James Voight                                  | Wegner CPA         | Accountant            | james.voight@wegnercpas.com     | 608-442-1995    |

| Kaba Baal LLC  |                          |                       |                              |              |
|----------------|--------------------------|-----------------------|------------------------------|--------------|
| Contact Person | Company                  | Role in Development   | Email                        | Phone        |
| Kaba Bah       | Kaba- Baal LLC           | Real Estate Developer | kababah@hotmail.com          | 757-319-9929 |
| Steve Shulfer  | Sketchworks Architecture | Architect             | sshulfer@sketchworksarch.com | 608-212-8846 |
| Bernie Lange   | National Construction    | General contractor    | Bernie@JGDevelopment.com     | 608-695-8681 |
| Joseph Shumow  | Reinhart                 | Attorney              | JShumow@reinhartlaw.com      | 608-229-2245 |

2. Who will be responsible for monitoring compliance with federal regulations and requirements at the time of development and at loan underwriting? Describe the experience of the individual(s) including trainings and/or certifications that the individual(s)/agency has completed and/or attained relevant to federal regulations.

MACLT will be responsible for compliance with underwriting guidelines and qualifying buyers based on income. MACLT has developed 2 homes since 2020 using Affordable Housing Funds, following all City of Madison underwriting guidelines. MACLT can additionally advise development partners on development guidelines in the loan contract.

WPHD will be responsible for monitoring compliance with applicable federal and state regulations during development of properties they develop. Additionally, WPHD will review income documentation for buyers after qualification by MACLT. Heather Boggs, from WPHD, holds certification in Part 5 income calculations. Todd Mandel, WPHD’s Executive Director, has

an Affordable Housing Development certification from NeighborWorks and previously was a HUD-certified HOME Specialist when that training certification was in effect.

Kaba Baal LLC will work with MACLT to leverage our combined in-house skills for monitoring and compliance with federal regulations and requirements at the time of development and loan underwriting. Though we have done multiple housing projects before, we have not done a lot with public funds from the City of Madison. This is one of the reasons we are coming together as a team to combine our strengths to better serve our community.

3. Describe the development team's experience with contracting with Minority- and Women-Owned Business Enterprises (M/WBE). Beyond standard construction, bidding practices, what efforts have been made by the development team to ensure that M/WBE businesses are awarded contracts, and what efforts will be made to ensure that M/WBE businesses are given plentiful opportunities to be competitive when bidding on this proposal.

MACLT has utilized the City of Madison's list of M/WBE contractors in our disbursement of maintenance assistance funds to our homeowners, and contacted all relevant contractors on that list, and had successful execution of maintenance projects with several contractors on that list. MACLT staff prioritize seeking bids from M/WBE contractors when possible. On recent home development projects, MACLT has worked closely with Operation Fresh Start as well.

WPHD maintains a preferred bidder process where M/WBE contractors receive a 5% preference in bidding consideration. Additionally, WPHD maintains a list of M/WBE contractors in its respective operational areas. These bidders receive advance notice of projects and opportunities to provide them additional opportunity to engage in the bidding process. Additionally, procurement staff make individual outreach, if warranted, to M/WBE contractors to encourage participation.

Kaba Baal LLC is a 100% minority owned real estate development firm and among a very few of its kind within the Madison area. Not only do we strive to contract and support other minority businesses but our entire mission and vision are centered around prioritizing and serving minority owned businesses within our community. As a result we always strive to go beyond awarding contracts to other minority owned businesses but also focus on minority wealth generation and wellbeing through home ownership.

4. Describe how your agency bolsters apprenticeship, job training partnerships, or Section 3 programming for the community.

WPHD works with contractors to help them connect to sources that can provide laborers who meet Section 3 qualifications. Additionally, WPHD conducts affirmative outreach to contractors who identify as Section 3.

Operation Fresh Start will additionally be a contractor partner where appropriate and timely in the development of the homes.

Kaba Baal LLC, currently does not offer section 3 programming and job training partnerships, but we seek out partnerships and contractors who identify as Section 3, and when possible, partner with mission driven organizations that have verifiable records for serving our marginalized and underrepresented folks, particularly the BIPOC communities.

5. Describe the development team's experience with operating the proposed program and/or with developing or rehabilitating owner-occupied affordable housing. If limited experience, describe the collaboration or mentorship that will be available to support you.

MACLT has developed all of the 71 homes in the land trust portfolio. The current staff of MACLT have acquired and rehabilitated 2 homes in the last two years in partnership with Operation Fresh Start as general contractor. MACLT has also developed a long list of contractor partners for minor home repair that could be utilized in larger development projects.

WPHD has operated single-family housing development utilizing HOME and other affordable housing sources for more than 15 years. This work has included new construction, rental housing development, and acquisition/rehab. Additionally, WPHD has served as the program administrator for HOME funding for other Participating Jurisdictions and has been responsible for monitoring and compliance of developers and subrecipients.

Though this is the first time that Kaba Baal LLC will be working in partnership with MACLT to leverage this particular program for home ownership within the city of Madison, we have been doing similar work with other cities including the City of Beaver Dam and Columbus Wisconsin. Our Beaver Dam project for example, is an order of magnitude bigger than what we are proposing here for home ownership. It is also financially more complex and includes the City of Beaver Dam, DNR, WEDC, County ARPA funds as well as C-PACE loans.

6. New construction and rehabilitation projects with HOME funds must have a ratified sales contract within nine months of construction/rehab completion. If the project is non-compliant, the developer must either convert the project to a HOME rental unit or be responsible for repayment of all funds dispersed. Describe the experience and qualifications of the entity that will manage the property, including maintaining property standards and ongoing compliance if converted to rental.

WPHD will manage the properties they develop should the property need to convert to a rental project. WPHD currently operates 10 units of HOME rental housing in Janesville. Properties would be inspected annually to comply with HQS requirements. Tenants would be income-qualified upon initial leasing and would be re-evaluated as required.

Kaba Baal LLC currently owns and manages over 15 units of rental housing around the city of Madison. We have over 13 years of rental experience in our local market with less than 2% average vacancy rate. Though we don't anticipate such a scenario given the need for such housing with MACLT already having 70+ families on their waiting list, if the need arises, we are well equipped to easily convert the project into a HOME rental using our already existing network to reach out to potential tenants.

7. If proposing a lease-purchase program, describe the team's experience with lease-purchase programs. Describe how the development team will operate the program and waitlist. Identify if any prioritization will be a component of the program design. How will the agency help households or individuals on the waitlist qualify and prepare for the responsibilities of homeownership?

n/a

8. Describe how your team will support prospective program participants and homebuyers to ensure their success as homeowners. Describe what programs and services, if any, will be made available to potential homebuyers. Describe financial literacy, home maintenance, credit builder programs or HUD-approved education counseling available to potential buyers pre and post purchase. Indicate the team member(s) primarily responsible for this service.

MACLT has a Homeownership Services Program Coordinator who works to ensure the success of our homeowners by accessing and providing resources to improve the homeownership stability, home quality, and knowledge of homeownership for homeowners in our program. In particular, MACLT staff work with homeowners to access refinances with our lending partners, help homeowners make maintenance decisions when needed, and provide trainings on homeownership-related information like maintenance. MACLT has also been able to, in the last two years, access grants for small home repair projects for our homeowners who remain low-income. Staff also help homeowners access resources such as the weatherization program at Project Home. For applicants who are interested in our program, we have a partnership with Summit Credit Union to work with applicants who need credit counseling to access a mortgage. We also have partnerships with home lenders who have specific knowledge of how to access downpayment assistance programs and how to work with



previously-incarcerated applicants. Our applicants can also access low-interest WHEDA mortgages. We connect applicants with providers of HUD-approved counseling such as Homebuyer's Round Table and Neighborworks Blackhawk Region.

## SITE INFORMATION

9. Explain why this site was chosen and how it helps the City to expand affordable housing opportunities where most needed. Describe the neighborhood and surrounding community. If a site has not yet been identified, please identify and explain where properties will be sought (Citywide or targeted area of the City).

WPHD seeks to develop 2 new homes at the Mosaic Ridge site. MACLT's ability to keep the homes permanently affordable makes this site a priority. MACLT has additionally been able to reach incomes between 50 and 55% AMI in recent years.

WPHD with MACLT also expect to complete one acquisition/rehab project targeted at a city-wide implementation given the current challenges with finding properties that fit the profile of an acquisition/rehab project.

Kaba Baal LLC seeks to develop 4 new townhomes at Owl Creek and keep them permanently affordable with MACLT's stewardship. If this site is not available, the developer would like to use awarded funds to complete acquisition-rehab homes in the City of Madison.

10. Enter the site address(es), if known, of the proposed housing and answer the questions listed below for each site. For Mosaic Ridge or Owl Creek applicants, list the addresses of the lots you seek to acquire and develop.

| # of Units<br>Prior to<br>Purchase                                                 | # of Units<br>Post-Project | # Units<br>Occupied at<br>Time of<br>Purchase | # Biz or<br>Residential<br>Tenants to<br>be Displaced | # of Units<br>Accessible<br>Current? | Number of<br>Units Post-<br>Project<br>Accessible? | Appraised<br>Value<br>Current<br>(Or Estimated) | Appraised<br>Value After<br>Project<br>Completion<br>(Or Estimated) | Purchase Price |
|------------------------------------------------------------------------------------|----------------------------|-----------------------------------------------|-------------------------------------------------------|--------------------------------------|----------------------------------------------------|-------------------------------------------------|---------------------------------------------------------------------|----------------|
| <b>Address 1: 2407 Dunns Marsh Terrace</b>                                         |                            |                                               |                                                       |                                      |                                                    |                                                 |                                                                     |                |
| 0                                                                                  | 1                          | 0                                             | 0                                                     | 0                                    | 1                                                  | 0                                               | \$325,000                                                           | \$1            |
| <b>Address 2: 2421 Dunns Marsh Terrace</b>                                         |                            |                                               |                                                       |                                      |                                                    |                                                 |                                                                     |                |
| 0                                                                                  | 1                          | 0                                             | 0                                                     | 0                                    | 1                                                  | 0                                               | \$325,000                                                           | \$1            |
| <b>Address 3: 5265-73 Great Gray Drive (preferred) OR 5166-72 Great Gray Drive</b> |                            |                                               |                                                       |                                      |                                                    |                                                 |                                                                     |                |
| 0                                                                                  | 4                          | 0                                             | 0                                                     | 0                                    | 4                                                  | 0                                               | \$1,260,000                                                         | \$1            |

11. If site occupied by a tenant please describe the relocation requirements, relocation plan and relocation assistance that you will implement or have started to implement.

n/a

## PROPOSAL TIMELINE

12. List the estimated/target completion dates associated with the following activities/benchmarks to illustrate the timeline of how your proposal will be implemented.

**WPHD Developments**

| Activity/Benchmark                       | Estimated Month / Year of Completion      |
|------------------------------------------|-------------------------------------------|
| Acquisition/Real Estate Closing          | NC: April 2023   Acq/Rehab: July 2023     |
| Rehab or New Construction Bid Publishing | NC: March 2023   Acq/Rehab: Sept 2023     |
| New Construction/Rehab Start             | NC: May 2023   Acq/Rehab: Nov 2023        |
| Begin Sales/Marketing                    | NC: October 2023   Acq/Rehab: Mar 2024    |
| New Construction/Rehab Completion        | NC: November 2023   Acq/Rehab: April 2024 |
| Complete Sales                           | NC: December 2023   Acq/Rehab: May 2024   |
| Request Final Draw of CDD Funds          | NC: February 2024   Acq/Rehab: July 2024  |

**Kaba Baal LLC Developments**

| Activity/Benchmark                       | Estimated Month / Year of Completion  |
|------------------------------------------|---------------------------------------|
| Acquisition/Real Estate Closing          | NC: April 2023   Acq/Rehab: Mar. 2023 |
| Rehab or New Construction Bid Publishing | NC: May 2023   Acq/Rehab: April 2023  |
| New Construction/Rehab Start             | NC: June 2023   Acq/Rehab: May 2023   |
| Begin Sales/Marketing                    | NC: Sept. 2023   Acq/Rehab: July 2023 |
| New Construction/Rehab Completion        | NC: Nov. 2023   Acq/Rehab: Oct. 2023  |
| Complete Sales                           | NC: Dec. 2023   Acq/Rehab: Nov. 2023  |
| Request Final Draw of CDD Funds          | NC: Jan. 2024   Acq/Rehab: Dec. 2023  |

**COMMUNITY ENGAGEMENT PROCESS**

13. If the proposal targets a general area of the City, describe alderpersons response and how your agency intends to engage with the neighborhood.

Projects proposed are not targeted to any specific area of the City.

14. Describe how you will coordinate your project with other community groups or agencies.

This project is the beginning of a close working relationship between MACLT and WPHD, and MACLT and Kaba Baal LLC. Coordination with Operation Fresh Start to assist on home construction or rehabilitation will take place as appropriate and as timing allows. For homes that are accessible, MACLT will additionally notify Movin' Out, Options in Community Living, Access to Independence, and relevant neighborhood groups to notify potential buyers of the properties.

**TARGETED POPULATION AND AFFIRMATIVE MARKETING**

15. Describe your targeted population in terms of preferences to a specific population (e.g. individuals with disability, first generational homebuyers) or any other unique characteristics. Include information on why you have selected the targeted population.

The policy below was adopted in Sept 2020 and most recently modified in Jan 2022 by the MACLT Board of Directors to prioritize applicants based on equity and need, particularly prioritizing first-generation homebuyers, low-income people, larger families, and those with disabilities.

#### **MACLT POINT PREFERENCE SYSTEM**

1. **Lowest percentage of Area Median Income:** 1 point

The household that has the lowest percentage of Area Median Income based on household size will receive one point. The household's ratio of housing costs to gross income has to be 35% or lower to qualify for this point.

2. **Number of bedrooms matches or is less than the household size:** ½ to 1 point

If the number of bedrooms matches or is less than the size of the household, the applicants will receive one point and if home size is only one bedroom over the household size, the applicant will receive ½ point. This assumes 1 person per bedroom.

3. **The applicant has a permanent disability:** 1 point

If at least one member of the household has a documented permanent disability, they will receive one point.

4. **The applicant has accessibility needs that requires the features of the property:** 2 points

If at least one member of the household has a permanent disability with associated accessibility needs that requires the physical features of the property (for example, 1st floor flat or a ramp for a person with a mobility impairment), the household will receive 2 points. A referral or recommendation from a medical professional or licensed clinician will be used to determine eligibility for these points.

5. **Current MACLT resident:** 1 point

All current MACLT residents in good standing will receive one point.

6. **First-time Homebuyer:** 1 point

Any applicant who is applying to buy their first home through MACLT will receive one point. If applicant has co-owned or owned a home more than 3 years prior, they will receive ½ point.

7. **First-generation Homebuyer:** 1 point

Applicants whose parents did not own a home when the applicant was a child will receive 1 point.

8. **Risk of displacement:** 1 point

Applicants will receive 1 point if they are at risk of displacement through no fault of their own, through condemnation or sale of property, divorce or domestic abuse, or other unfortunate external circumstance.

9. **Actively seeking MACLT properties for at least six months:** ½, 1, or 1 ½ points

Any household that has been actively seeking to purchase an MACLT property will receive: ½ point for every six months (cap of 1 ½ points) from the time the homeowner pre-application was initially submitted.

The household with the highest points will be selected as the buyer. In the event of a tie, the property will be offered to the household with the lowest area median income based on household size.

16. Describe your affirmative marketing strategy and any other strategies to engage your intended population. How will this project address barriers to housing experienced by your target population?

MACLT will market the home to neighborhood groups relevant to each home, in English, Spanish, and Hmong. Additional marketing strategies are listed below. When applicants comes to MACLT, we encourage them to meet with our partnered lenders to see what assistance is available to them. MACLT works with 5 lending partners who are knowledgeable about downpayment assistance, credit coaching options, and creative loan options. MACLT is continuing to look for lenders who offer ITIN mortgages for those without a SSN.

**AFFIRMATIVE MARKETING STRATEGIES:**

- Continue practice of regular orientation sessions for prospective homeowners
- Continue utilizing point system for determining top buyer (including giving points for first-generation homebuyers, accessibility needs that match features of house, household size that matches house, first-time homebuyers, risk of displacement, lowest income of eligible pool)
- Notify other service providers such as The Road Home, Tenant Resource Center, Movin' Out, Urban Triage
- Prepare translations of program information in Spanish and Hmong
- Feature the home on the MACLT's homepage at [www.affordablehome.org](http://www.affordablehome.org) and social media pages (Instagram, Twitter, Facebook)
- Advertise in at least 2 local newspapers, such as Eastside News, Capital City Hues, Cap Times, or Isthmus
- Work with neighborhood centers to publicize program to partnered service providers Hmong and Spanish translations
- Share to Dane County Neighbors Helping Neighbors and any local neighborhood facebook groups
- Post on Next Door groups for neighborhood associations

**ENERGY EFFICIENCY, RENEWABLE ENERGY AND SUSTAINABLE DESIGN**

17. What is your organization's track record of developing projects that incorporate extraordinary sustainable, energy efficient, and/or green building design techniques? Please describe how this proposed development will contribute to the City's goal of 100% renewable energy and zero-net carbon emissions found in the [100% Renewable Madison Plan](#) (originally adopted March 21, 2017).

MACLT has had sustainable and green design as part of its mission and practice since 2006, when we began construction on 30 units at Troy Gardens which were certified Wisconsin Green Built and Energy Star Certified. These homes incorporated Energy Star components before they were commonplace, and offered options for solar panels and geothermal heating, as well as tankless water heaters, bamboo flooring, and low flow toilets and showers. MACLT now always incorporates green components such as Energy Star appliances and increased insulation for every acquisition-rehab project we have done in recent years.

WPHD develops homes utilizing the Focus on Energy framework for creating energy efficient homes. Where funding exists to implement renewable solutions, WPHD incorporates those options into a project. The two new construction units will be built to the FOE standard. Additionally, a 7kwh photovoltaic system will be installed if Focus on Energy funds remain available to support such installation. Currently, WPHD has four homes under development that will be receiving 7kwh systems.

Kaba Baal LLC's earliest track record of incorporating sustainability and energy efficiency goes back to 2011 when it partnered with the city of Madison on a Small Cap TIF loan in the James Madison area. Since then, we have continued to strive to complement the city of Madison's goal for 100% renewable energy and net-zero carbon emission in all our projects by working with Focus on energy even on our existing rental units. We are also exploring ways to leverage more resources for energy efficiency, as we grow, beginning from the design phase all the way to turn key.

18. For proposals that have identified a property that will require rehabilitation, summarize the scope of rehabilitation work.

n/a



APPLICANT & PROJECT NAME: **Madison Area Community Land Trust-Rehab with Kaba Baal LLC**

1. AGENCY OVERVIEW

This chart describes your agency's total budget for 3 separate years. Where possible, use audited figures for 2020 Actual.

| Account Description              | 2020 Actual   | 2021 Budget    | 2022 Proposed  |
|----------------------------------|---------------|----------------|----------------|
| <b>A. PERSONNEL</b>              |               |                |                |
| Salary (including benefits)      | 37,985        | 52,010         | 94,166         |
| Taxes                            | 571           | 4,121          | 7,765          |
| <b>Subtotal A</b>                | <b>38,556</b> | <b>56,131</b>  | <b>101,931</b> |
|                                  |               |                |                |
| <b>B. OPERATING</b>              |               |                |                |
| All "Operating" Costs            | 10,441        | 28,529         | 64,613         |
| <b>Subtotal B</b>                | <b>10,441</b> | <b>28,529</b>  | <b>64,613</b>  |
|                                  |               |                |                |
| <b>C. SPACE</b>                  |               |                |                |
| Rent/Utilities/Maintenance       | -             | 7,600          | 7,800          |
| Mortgage/Depreciation/Taxes      | -             |                |                |
| <b>Subtotal C</b>                | <b>-</b>      | <b>7,600</b>   | <b>7,800</b>   |
|                                  |               |                |                |
| <b>D. SPECIAL COSTS</b>          |               |                |                |
| Subcontracts                     |               |                |                |
| Deposits to Reserves             |               |                |                |
| Debt Service (Excl Mortgage)     |               |                |                |
| Other: (Specify)                 |               |                |                |
| Maintenance assistance           |               | 6,925          | 130,555        |
| <b>Subtotal D</b>                | <b>-</b>      | <b>6,925</b>   | <b>130,555</b> |
|                                  |               |                |                |
| <b>Total Operating Expenses:</b> | <b>48,997</b> | <b>99,185</b>  | <b>304,899</b> |
|                                  |               |                |                |
| <b>REVENUE</b>                   |               |                |                |
| Direct Public Grants             |               | 57,503         | 234,971        |
| Direct Public Support            |               |                |                |
| Indirect Public Support          |               |                |                |
| Miscellaneous Revenue            | 10,756        | 12,103         | 47,000         |
| Restricted Funds Released        |               |                |                |
| Program Income                   | 49,207        | 49,214         | 49,148         |
| <b>Total Income</b>              | <b>59,963</b> | <b>118,820</b> | <b>331,119</b> |
|                                  |               |                |                |
| <b>Net Income</b>                | <b>10,966</b> | <b>19,635</b>  | <b>26,220</b>  |





APPLICANT & PROJECT NAME:

Madison Area Community Land Trust-Rehab with Kaba Baal LLC

2. CAPITAL BUDGET

Enter ALL proposed project funding sources.

FUNDING SOURCES

| Source                        | Amount       | Non-Amortizing (Y/N) | Rate (%) | Term (Years) | Amort. Period (Years) | Annual Debt Service |
|-------------------------------|--------------|----------------------|----------|--------------|-----------------------|---------------------|
| Permanent Loan-Lender Name:   |              |                      |          |              |                       |                     |
|                               | \$ 640,000   | n-Amortizing (Y      | 5.50%    | 25           | 25                    | \$4,771             |
| Subordinate Loan-Lender Name: |              |                      |          |              |                       |                     |
|                               |              |                      |          |              |                       |                     |
| Subordinate Loan-Lender Name: |              |                      |          |              |                       |                     |
|                               |              |                      |          |              |                       |                     |
| Tax Exempt Loan-Bond Issuer:  |              |                      |          |              |                       |                     |
|                               |              |                      |          |              |                       |                     |
| AHP Loan                      |              |                      |          |              |                       |                     |
| City-AHF Loan                 | \$ 600,000   | Y                    | 0.00%    |              |                       | \$600,000           |
| City-HOME Loan                |              |                      |          |              |                       |                     |
| City-CDBG Loan                |              |                      |          |              |                       |                     |
| City-TIF Loan                 |              |                      |          |              |                       |                     |
| Other-Specify Lender/Grantor: |              |                      |          |              |                       |                     |
| Focus on Energy               | \$ 20,000    |                      |          |              |                       |                     |
| Other-Specify Lender/Grantor: |              |                      |          |              |                       |                     |
|                               |              |                      |          |              |                       |                     |
| Other-Specify Lender/Grantor: |              |                      |          |              |                       |                     |
|                               |              |                      |          |              |                       |                     |
| Historic Tax Credit Equity    |              |                      |          |              |                       |                     |
| Deferred Developer Fees       |              |                      |          |              |                       |                     |
| Owner Investment              |              |                      |          |              |                       |                     |
| Other-Specify:                |              |                      |          |              |                       |                     |
|                               |              |                      |          |              |                       |                     |
| Total Sources                 | \$ 1,260,000 |                      |          |              |                       |                     |

| Construction Financing         |            |       |               |
|--------------------------------|------------|-------|---------------|
| Source of Funds                | Amount     | Rate  | Term (Months) |
| Construction Loan-Lender Name: |            |       |               |
| Park Bank                      | \$ 660,000 | 6.00% | 24            |
| Bridge Loan-Lender Name:       |            |       |               |
|                                |            |       |               |
| Historic Tax Credit Equity:    |            |       |               |
|                                |            |       |               |
| Total                          | \$ 660,000 |       |               |

Estimated pricing on sale of Federal Tax Credits:

(if applicable)

Estimated pricing on sale of State Tax Credits:

(if applicable)

Remarks Concerning Project Funding Sources:

APPLICANT:

Madison Area Community Land Trust-Rehab with Kaba Baal LLC

### 3. PROJECT EXPENSES

Enter the proposed project expenses

#### Acquisition Costs

#### Amount

|                                 |           |
|---------------------------------|-----------|
| Land                            | \$100,000 |
| Existing Buildings/Improvements | \$715,000 |
| Other (List)                    |           |
|                                 | \$0       |

#### Construction:

|                           |           |
|---------------------------|-----------|
| Construction/Rehab Costs  | \$200,000 |
| Construction Profit       | \$25,000  |
| Construction Overhead     | \$30,000  |
| General Requirements      | \$15,000  |
| Construction Supervision  | \$5,000   |
| FF&E/Personal Property    | \$0       |
| Demolition                | \$0       |
| Site Work                 | \$0       |
| Landscaping               | \$10,000  |
| Letter of Credit/P&P Bond | \$0       |
| Construction Contingency  | \$20,000  |
| Other (List)              |           |
|                           | \$0       |

<--- If applicable, please list the costs attributable to "above and beyond" green building/Net Zero construction components included in the Construction Costs line item:

Total Cost:

\$0

#### Architectural & Engineering

|                         |         |
|-------------------------|---------|
| Architect - Design      | \$6,000 |
| Architect - Supervision | \$0     |
| Engineering             | \$0     |
| Other (List)            |         |
|                         | \$0     |

#### Interim/Construction Costs

|                                   |          |
|-----------------------------------|----------|
| Builder's Risk/Property Insurance | \$5,000  |
| Construction Loan Interest        | \$20,000 |
| Construction Loan Origination Fee | \$10,000 |
| Real Estate Taxes                 | \$28,000 |
| Park Impact Fees                  | \$1,000  |
| Other Impact Fees                 | \$0      |
| Other (List)                      |          |
|                                   | \$0      |

#### Financing Fees

|                                |     |
|--------------------------------|-----|
| Cost of Bond Issuance          | \$0 |
| Permanent Loan Origination Fee | \$0 |
| Credit Enhancement             | \$0 |
| Other Permanent Loan Fees      | \$0 |

#### Soft Costs

|              |         |
|--------------|---------|
| Appraisal    | \$1,000 |
| Market Study | \$0     |

|                                      |                    |
|--------------------------------------|--------------------|
| Environmental Reports                | \$0                |
| Survey                               | \$0                |
| Permits                              | \$2,000            |
| Lease-Up Period Marketing            | \$0                |
| Accounting/Cost Certification        | \$0                |
| Title Insurance and Recording        | \$0                |
| Relocation                           | \$0                |
| FF&E                                 | \$0                |
| Capital Needs Assessment (if rehab)  | \$0                |
| Legal                                | \$2,000            |
| Other (List)                         |                    |
|                                      | \$0                |
| <b>Fees:</b>                         |                    |
| Bridge Loan Fees                     | \$0                |
| Organizational Fees                  | \$0                |
| Syndication Fees                     | \$0                |
| Total Development Fee                | \$60,000           |
| Developer Overhead                   | \$5,000            |
| Other Consultant Fees                | \$0                |
| Other (List)                         |                    |
|                                      | \$0                |
| <b>Reserves Funded from Capital:</b> |                    |
| Lease-Up Reserve                     | \$0                |
| Operating Reserve                    | \$0                |
| Replacement Reserve                  | \$0                |
| Capital Needs Reserve                | \$0                |
| Debt Service Reserve                 | \$0                |
| Escrows                              | \$0                |
| <b>Other: (List)</b>                 |                    |
|                                      | \$0                |
| <b>TOTAL COSTS:</b>                  | <b>\$1,260,000</b> |



APPLICANT & PROJECT NAME: **Madison Area Community Land Trust (Owl Creek)**

1. AGENCY OVERVIEW

This chart describes your agency's total budget for 3 separate years. Where possible, use audited figures for 2020 Actual.

| Account Description              | 2020 Actual   | 2021 Budget    | 2022 Proposed  |
|----------------------------------|---------------|----------------|----------------|
| <b>A. PERSONNEL</b>              |               |                |                |
| Salary (including benefits)      | 37,985        | 52,010         | 94,166         |
| Taxes                            | 571           | 4,121          | 7,765          |
| <b>Subtotal A</b>                | <b>38,556</b> | <b>56,131</b>  | <b>101,931</b> |
|                                  |               |                |                |
| <b>B. OPERATING</b>              |               |                |                |
| All "Operating" Costs            | 10,441        | 28,529         | 64,613         |
| <b>Subtotal B</b>                | <b>10,441</b> | <b>28,529</b>  | <b>64,613</b>  |
|                                  |               |                |                |
| <b>C. SPACE</b>                  |               |                |                |
| Rent/Utilities/Maintenance       | -             | 7,600          | 7,800          |
| Mortgage/Depreciation/Taxes      | -             |                |                |
| <b>Subtotal C</b>                | <b>-</b>      | <b>7,600</b>   | <b>7,800</b>   |
|                                  |               |                |                |
| <b>D. SPECIAL COSTS</b>          |               |                |                |
| Subcontracts                     |               |                |                |
| Deposits to Reserves             |               |                |                |
| Debt Service (Excl Mortgage)     |               |                |                |
| Other: (Specify)                 |               |                |                |
| Maintenance assistance           |               | 6,925          | 130,555        |
| <b>Subtotal D</b>                | <b>-</b>      | <b>6,925</b>   | <b>130,555</b> |
|                                  |               |                |                |
| <b>Total Operating Expenses:</b> | <b>48,997</b> | <b>99,185</b>  | <b>304,899</b> |
|                                  |               |                |                |
| <b>REVENUE</b>                   |               |                |                |
| Direct Public Grants             |               | 57,503         | 234,971        |
| Direct Public Support            |               |                |                |
| Indirect Public Support          |               |                |                |
| Miscellaneous Revenue            | 10,756        | 12,103         | 47,000         |
| Restricted Funds Released        |               |                |                |
| Program Income                   | 49,207        | 49,214         | 49,148         |
| <b>Total Income</b>              | <b>59,963</b> | <b>118,820</b> | <b>331,119</b> |
|                                  |               |                |                |
| <b>Net Income</b>                | <b>10,966</b> | <b>19,635</b>  | <b>26,220</b>  |



APPLICANT & PROJECT NAME:

Madison Area Community Land Trust-Rehab (Owl Creek)

2. CAPITAL BUDGET

Enter ALL proposed project funding sources.

FUNDING SOURCES

| Source                        | Amount       | Non-Amortizing (Y/N) | Rate (%) | Term (Years) | Amort. Period (Years) | Annual Debt Service |
|-------------------------------|--------------|----------------------|----------|--------------|-----------------------|---------------------|
| Permanent Loan-Lender Name:   |              |                      |          |              |                       |                     |
|                               | \$ 640,000   | n-Amortizing (Y      | 5.50%    | 25           | 25                    | \$4,771             |
| Subordinate Loan-Lender Name: |              |                      |          |              |                       |                     |
|                               |              |                      |          |              |                       |                     |
| Subordinate Loan-Lender Name: |              |                      |          |              |                       |                     |
|                               |              |                      |          |              |                       |                     |
| Tax Exempt Loan-Bond Issuer:  |              |                      |          |              |                       |                     |
|                               |              |                      |          |              |                       |                     |
| AHP Loan                      |              |                      |          |              |                       |                     |
| City-AHF Loan                 | \$ 600,000   | Y                    | 0.00%    |              |                       | \$600,000           |
| City-HOME Loan                |              |                      |          |              |                       |                     |
| City-CDBG Loan                |              |                      |          |              |                       |                     |
| City-TIF Loan                 |              |                      |          |              |                       |                     |
| Other-Specify Lender/Grantor: |              |                      |          |              |                       |                     |
| Focus on Energy               | \$ 20,000    |                      |          |              |                       |                     |
| Other-Specify Lender/Grantor: |              |                      |          |              |                       |                     |
|                               |              |                      |          |              |                       |                     |
| Other-Specify Lender/Grantor: |              |                      |          |              |                       |                     |
|                               |              |                      |          |              |                       |                     |
| Historic Tax Credit Equity    |              |                      |          |              |                       |                     |
| Deferred Developer Fees       |              |                      |          |              |                       |                     |
| Owner Investment              |              |                      |          |              |                       |                     |
| Other-Specify:                |              |                      |          |              |                       |                     |
|                               |              |                      |          |              |                       |                     |
| Total Sources                 | \$ 1,260,000 |                      |          |              |                       |                     |

| Construction Financing         |            |       |               |
|--------------------------------|------------|-------|---------------|
| Source of Funds                | Amount     | Rate  | Term (Months) |
| Construction Loan-Lender Name: |            |       |               |
| Park Bank                      | \$ 660,000 | 6.00% | 24            |
| Bridge Loan-Lender Name:       |            |       |               |
|                                |            |       |               |
| Historic Tax Credit Equity:    |            |       |               |
|                                |            |       |               |
| Total                          | \$ 660,000 |       |               |

Estimated pricing on sale of Federal Tax Credits:  
(if applicable)

Estimated pricing on sale of State Tax Credits:  
(if applicable)

Remarks Concerning Project Funding Sources:





APPLICANT:

Madison Area Community Land Trust (Owl Creek)

### 3. PROJECT EXPENSES

Enter the proposed project expenses

#### Acquisition Costs

#### Amount

|                                 |     |
|---------------------------------|-----|
| Land                            | \$0 |
| Existing Buildings/Improvements | \$0 |
| Other (List)                    |     |
|                                 | \$0 |

#### Construction:

|                           |           |
|---------------------------|-----------|
| Construction/Rehab Costs  | \$830,000 |
| Construction Profit       | included  |
| Construction Overhead     | \$30,000  |
| General Requirements      | \$15,000  |
| Construction Supervision  | \$25,000  |
| FF&E/Personal Property    | \$0       |
| Demolition                | \$0       |
| Site Work                 | \$15,000  |
| Landscaping               | \$25,000  |
| Letter of Credit/P&P Bond | \$0       |
| Construction Contingency  | \$40,000  |
| Other (List)              |           |
|                           | \$0       |

<--- If applicable, please list the costs attributable to "above and beyond" green building/Net Zero construction components included in the Construction Costs line item:

|  |
|--|
|  |
|  |
|  |

Total Cost:

\$0

#### Architectural & Engineering

|                         |          |
|-------------------------|----------|
| Architect - Design      | \$60,000 |
| Architect - Supervision | \$0      |
| Engineering             | \$15,000 |
| Other (List)            |          |
|                         | \$0      |

#### Interim/Construction Costs

|                                   |          |
|-----------------------------------|----------|
| Builder's Risk/Property Insurance | \$12,000 |
| Construction Loan Interest        | \$35,000 |
| Construction Loan Origination Fee | \$25,000 |
| Real Estate Taxes                 | \$0      |
| Park Impact Fees                  | \$0      |
| Other Impact Fees                 | \$0      |
| Other (List)                      |          |
|                                   | \$0      |

#### Financing Fees

|                                |          |
|--------------------------------|----------|
| Cost of Bond Issuance          | \$0      |
| Permanent Loan Origination Fee | \$0      |
| Credit Enhancement             | \$10,000 |
| Other Permanent Loan Fees      | \$0      |

#### Soft Costs

|              |         |
|--------------|---------|
| Appraisal    | \$1,000 |
| Market Study | \$6,000 |

|                                      |                    |
|--------------------------------------|--------------------|
| Environmental Reports                | \$1,000            |
| Survey                               | \$5,000            |
| Permits                              | \$10,000           |
| Lease-Up Period Marketing            | \$0                |
| Accounting/Cost Certification        | \$0                |
| Title Insurance and Recording        | \$0                |
| Relocation                           | \$0                |
| FF&E                                 | \$0                |
| Capital Needs Assessment (if rehab)  | \$0                |
| Legal                                | \$5,000            |
| Other (List)                         |                    |
|                                      | \$0                |
| <b>Fees:</b>                         |                    |
| Bridge Loan Fees                     | \$15,000           |
| Organizational Fees                  | \$0                |
| Syndication Fees                     | \$0                |
| Total Development Fee                | \$60,000           |
| Developer Overhead                   | \$10,000           |
| Other Consultant Fees                | \$5,000            |
| Other (List)                         |                    |
|                                      | \$0                |
| <b>Reserves Funded from Capital:</b> |                    |
| Lease-Up Reserve                     | \$0                |
| Operating Reserve                    | \$5,000            |
| Replacement Reserve                  | \$0                |
| Capital Needs Reserve                | \$0                |
| Debt Service Reserve                 | \$0                |
| Escrows                              | \$0                |
| <b>Other: (List)</b>                 |                    |
|                                      | \$0                |
| <b>TOTAL COSTS:</b>                  | <b>\$1,260,000</b> |

APPLICANT & PROJECT NAME: **Madison Area Community Land Trust - Acquisition-Rehab with WPHD**

1. AGENCY OVERVIEW

This chart describes your agency's total budget for 3 separate years. Where possible, use audited figures for 2020 Actual.

| Account Description              | 2020 Actual   | 2021 Budget    | 2022 Proposed  |
|----------------------------------|---------------|----------------|----------------|
| <b>A. PERSONNEL</b>              |               |                |                |
| Salary (including benefits)      | 37,985        | 52,010         | 94,166         |
| Taxes                            | 571           | 4,121          | 7,765          |
| <b>Subtotal A</b>                | <b>38,556</b> | <b>56,131</b>  | <b>101,931</b> |
|                                  |               |                |                |
| <b>B. OPERATING</b>              |               |                |                |
| All "Operating" Costs            | 10,441        | 28,529         | 64,613         |
| <b>Subtotal B</b>                | <b>10,441</b> | <b>28,529</b>  | <b>64,613</b>  |
|                                  |               |                |                |
| <b>C. SPACE</b>                  |               |                |                |
| Rent/Utilities/Maintenance       | -             | 7,600          | 7,800          |
| Mortgage/Depreciation/Taxes      | -             |                |                |
| <b>Subtotal C</b>                | <b>-</b>      | <b>7,600</b>   | <b>7,800</b>   |
|                                  |               |                |                |
| <b>D. SPECIAL COSTS</b>          |               |                |                |
| Subcontracts                     |               |                |                |
| Deposits to Reserves             |               |                |                |
| Debt Service (Excl Mortgage)     |               |                |                |
| Other: (Specify)                 |               |                |                |
| Maintenance assistance           |               | 6,925          | 130,555        |
| <b>Subtotal D</b>                | <b>-</b>      | <b>6,925</b>   | <b>130,555</b> |
|                                  |               |                |                |
| <b>Total Operating Expenses:</b> | <b>48,997</b> | <b>99,185</b>  | <b>304,899</b> |
|                                  |               |                |                |
| <b>REVENUE</b>                   |               |                |                |
| Direct Public Grants             |               | 57,503         | 234,971        |
| Direct Public Support            |               |                |                |
| Indirect Public Support          |               |                |                |
| Miscellaneous Revenue            | 10,756        | 12,103         | 47,000         |
| Restricted Funds Released        |               |                |                |
| Program Income                   | 49,207        | 49,214         | 49,148         |
| <b>Total Income</b>              | <b>59,963</b> | <b>118,820</b> | <b>331,119</b> |
|                                  |               |                |                |
| <b>Net Income</b>                | <b>10,966</b> | <b>19,635</b>  | <b>26,220</b>  |



APPLICANT & PROJECT NAME:

MACLT Acquisition-Rehab with WPHD

2. CAPITAL BUDGET

Enter ALL proposed project funding sources.

FUNDING SOURCES

| Source                        | Amount     | Non-Amortizing (Y/N) | Rate (%) | Term (Years) | Amort. Period (Years) | Annual Debt Service |
|-------------------------------|------------|----------------------|----------|--------------|-----------------------|---------------------|
| Permanent Loan-Lender Name:   |            |                      |          |              |                       |                     |
|                               | \$ 195,000 | N                    | 5.50%    | 30           | 30                    | \$1,342             |
| Subordinate Loan-Lender Name: |            |                      |          |              |                       |                     |
|                               |            |                      |          |              |                       |                     |
| Subordinate Loan-Lender Name: |            |                      |          |              |                       |                     |
|                               |            |                      |          |              |                       |                     |
| Tax Exempt Loan-Bond Issuer:  |            |                      |          |              |                       |                     |
|                               |            |                      |          |              |                       |                     |
| AHP Loan                      |            |                      |          |              |                       |                     |
| City-AHF Loan                 | \$ 150,000 | Y                    | 0.00%    |              |                       | \$300,000           |
| City-HOME Loan                |            |                      |          |              |                       |                     |
| City-CDBG Loan                |            |                      |          |              |                       |                     |
| City-TIF Loan                 |            |                      |          |              |                       |                     |
| Other-Specify Lender/Grantor: |            |                      |          |              |                       |                     |
| Focus on Energy               | \$ -       |                      |          |              |                       |                     |
| Other-Specify Lender/Grantor: |            |                      |          |              |                       |                     |
|                               |            |                      |          |              |                       |                     |
| Other-Specify Lender/Grantor: |            |                      |          |              |                       |                     |
|                               |            |                      |          |              |                       |                     |
| Historic Tax Credit Equity    |            |                      |          |              |                       |                     |
| Deferred Developer Fees       |            |                      |          |              |                       |                     |
| Owner Investment              | \$ -       |                      |          |              |                       |                     |
| Other-Specify:                |            |                      |          |              |                       |                     |
|                               |            |                      |          |              |                       |                     |
| Total Sources                 | \$ 345,000 |                      |          |              |                       |                     |

| Construction Financing         |            |       |               |
|--------------------------------|------------|-------|---------------|
| Source of Funds                | Amount     | Rate  | Term (Months) |
| Construction Loan-Lender Name: |            |       |               |
| Impact 7                       | \$ 195,000 | 6.00% | 24            |
| Bridge Loan-Lender Name:       |            |       |               |
|                                |            |       |               |
| Historic Tax Credit Equity:    |            |       |               |
|                                |            |       |               |
| Total                          | \$ 195,000 |       |               |

Estimated pricing on sale of Federal Tax Credits:  
(if applicable)

Estimated pricing on sale of State Tax Credits:  
(if applicable)

Remarks Concerning Project Funding Sources:



APPLICANT:

MACLT- Acquisition-Rehab with WPHD

### 3. PROJECT EXPENSES

Enter the proposed project expenses

#### Acquisition Costs

#### Amount

|                                 |           |
|---------------------------------|-----------|
| Land                            | \$40,000  |
| Existing Buildings/Improvements | \$170,000 |
| Other (List)                    |           |
|                                 | \$0       |

#### Construction:

|                           |          |
|---------------------------|----------|
| Construction/Rehab Costs  | \$65,000 |
| Construction Profit       | \$6,750  |
| Construction Overhead     | \$6,000  |
| General Requirements      | \$5,000  |
| Construction Supervision  | \$0      |
| FF&E/Personal Property    | \$0      |
| Demolition                | \$0      |
| Site Work                 | \$0      |
| Landscaping               | \$2,500  |
| Letter of Credit/P&P Bond | \$0      |
| Construction Contingency  | \$7,000  |
| Other (List)              |          |
|                           | \$0      |

<--- If applicable, please list the costs attributable to "above and beyond" green building/Net Zero construction components included in the Construction Costs line item:

|  |
|--|
|  |
|  |
|  |

Total Cost:

|  |
|--|
|  |
|--|

#### Architectural & Engineering

|                         |         |
|-------------------------|---------|
| Architect - Design      | \$2,000 |
| Architect - Supervision | \$0     |
| Engineering             | \$0     |
| Other (List)            |         |
|                         | \$0     |

#### Interim/Construction Costs

|                                   |         |
|-----------------------------------|---------|
| Builder's Risk/Property Insurance | \$1,500 |
| Construction Loan Interest        | \$2,500 |
| Construction Loan Origination Fee | \$1,500 |
| Real Estate Taxes                 | \$4,000 |
| Park Impact Fees                  | \$0     |
| Other Impact Fees                 | \$0     |
| Other (List)                      |         |
|                                   | \$0     |

#### Financing Fees

|                                |     |
|--------------------------------|-----|
| Cost of Bond Issuance          | \$0 |
| Permanent Loan Origination Fee | \$0 |
| Credit Enhancement             | \$0 |
| Other Permanent Loan Fees      | \$0 |

#### Soft Costs

|              |       |
|--------------|-------|
| Appraisal    | \$500 |
| Market Study | \$250 |

|                                      |                  |
|--------------------------------------|------------------|
| Environmental Reports                | \$0              |
| Survey                               | \$0              |
| Permits                              | \$1,500          |
| Lease-Up Period Marketing            | \$0              |
| Accounting/Cost Certification        | \$0              |
| Title Insurance and Recording        | \$0              |
| Relocation                           | \$0              |
| FF&E                                 | \$0              |
| Capital Needs Assessment (if rehab)  | \$0              |
| Legal                                | \$1,000          |
| Other (List)                         |                  |
|                                      | \$0              |
| <b>Fees:</b>                         |                  |
| Bridge Loan Fees                     | \$0              |
| Organizational Fees                  | \$0              |
| Syndication Fees                     | \$0              |
| Total Development Fee                | \$15,000         |
| Developer Overhead                   | \$2,000          |
| Other Consultant Fees                | \$0              |
| Other (List)                         |                  |
| Broker fees                          | \$11,000         |
| <b>Reserves Funded from Capital:</b> |                  |
| Lease-Up Reserve                     | \$0              |
| Operating Reserve                    | \$0              |
| Replacement Reserve                  | \$0              |
| Capital Needs Reserve                | \$0              |
| Debt Service Reserve                 | \$0              |
| Escrows                              | \$0              |
| Other: (List)                        |                  |
|                                      | \$0              |
| <b>TOTAL COSTS:</b>                  | <b>\$345,000</b> |



APPLICANT & PROJECT NAME: **Madison Area Community Land Trust - Mosaic Ridge New Development**

1. AGENCY OVERVIEW

This chart describes your agency's total budget for 3 separate years. Where possible, use audited figures for 2020 Actual.

| Account Description              | 2020 Actual   | 2021 Budget    | 2022 Proposed  |
|----------------------------------|---------------|----------------|----------------|
| <b>A. PERSONNEL</b>              |               |                |                |
| Salary (including benefits)      | 37,985        | 52,010         | 94,166         |
| Taxes                            | 571           | 4,121          | 7,765          |
| <b>Subtotal A</b>                | <b>38,556</b> | <b>56,131</b>  | <b>101,931</b> |
|                                  |               |                |                |
| <b>B. OPERATING</b>              |               |                |                |
| All "Operating" Costs            | 10,441        | 28,529         | 64,613         |
| <b>Subtotal B</b>                | <b>10,441</b> | <b>28,529</b>  | <b>64,613</b>  |
|                                  |               |                |                |
| <b>C. SPACE</b>                  |               |                |                |
| Rent/Utilities/Maintenance       | -             | 7,600          | 7,800          |
| Mortgage/Depreciation/Taxes      | -             |                |                |
| <b>Subtotal C</b>                | <b>-</b>      | <b>7,600</b>   | <b>7,800</b>   |
|                                  |               |                |                |
| <b>D. SPECIAL COSTS</b>          |               |                |                |
| Subcontracts                     |               |                |                |
| Deposits to Reserves             |               |                |                |
| Debt Service (Excl Mortgage)     |               |                |                |
| Other: (Specify)                 |               |                |                |
| Maintenance assistance           |               | 6,925          | 130,555        |
| <b>Subtotal D</b>                | <b>-</b>      | <b>6,925</b>   | <b>130,555</b> |
|                                  |               |                |                |
| <b>Total Operating Expenses:</b> | <b>48,997</b> | <b>99,185</b>  | <b>304,899</b> |
|                                  |               |                |                |
| <b>REVENUE</b>                   |               |                |                |
| Direct Public Grants             |               | 57,503         | 234,971        |
| Direct Public Support            |               |                |                |
| Indirect Public Support          |               |                |                |
| Miscellaneous Revenue            | 10,756        | 12,103         | 47,000         |
| Restricted Funds Released        |               |                |                |
| Program Income                   | 49,207        | 49,214         | 49,148         |
| <b>Total Income</b>              | <b>59,963</b> | <b>118,820</b> | <b>331,119</b> |
|                                  |               |                |                |
| <b>Net Income</b>                | <b>10,966</b> | <b>19,635</b>  | <b>26,220</b>  |



APPLICANT & PROJECT NAME:

MACLT Mosaic Ridge New Development with WPHD

2. CAPITAL BUDGET

Enter ALL proposed project funding sources.

FUNDING SOURCES

| Source                                | Amount     | Non-Amortizing (Y/N) | Rate (%) | Term (Years) | Amort. Period (Years) | Annual Debt Service |
|---------------------------------------|------------|----------------------|----------|--------------|-----------------------|---------------------|
| Permanent Loan-Lender Name:           |            |                      |          |              |                       |                     |
| Madison Area Community Land Trust - M | \$ 420,000 | N                    | 5.50%    | 30           | 30                    | \$2,890             |
| Subordinate Loan-Lender Name:         |            |                      |          |              |                       |                     |
| Subordinate Loan-Lender Name:         |            |                      |          |              |                       |                     |
| Tax Exempt Loan-Bond Issuer:          |            |                      |          |              |                       |                     |
| AHP Loan                              |            |                      |          |              |                       |                     |
| City-AHF Loan                         | \$ 300,000 | Y                    | 0.00%    |              |                       | \$300,000           |
| City-HOME Loan                        |            |                      |          |              |                       |                     |
| City-CDBG Loan                        |            |                      |          |              |                       |                     |
| City-TIF Loan                         |            |                      |          |              |                       |                     |
| Other-Specify Lender/Grantor:         |            |                      |          |              |                       |                     |
| Focus on Energy                       | \$ 30,000  |                      |          |              |                       |                     |
| Other-Specify Lender/Grantor:         |            |                      |          |              |                       |                     |
| Other-Specify Lender/Grantor:         |            |                      |          |              |                       |                     |
| Historic Tax Credit Equity            |            |                      |          |              |                       |                     |
| Deferred Developer Fees               |            |                      |          |              |                       |                     |
| Owner Investment                      | \$ -       |                      |          |              |                       |                     |
| Other-Specify:                        |            |                      |          |              |                       |                     |
| Total Sources                         | \$ 750,000 |                      |          |              |                       |                     |

| Construction Financing         |            |       |               |
|--------------------------------|------------|-------|---------------|
| Source of Funds                | Amount     | Rate  | Term (Months) |
| Construction Loan-Lender Name: |            |       |               |
| Forward Community Investmens   | \$ 420,000 | 6.00% | 24            |
| Bridge Loan-Lender Name:       |            |       |               |
| Historic Tax Credit Equity:    |            |       |               |
| Total                          | \$ 420,000 |       |               |

Estimated pricing on sale of Federal Tax Credits:  
(if applicable)

Estimated pricing on sale of State Tax Credits:  
(if applicable)

Remarks Concerning Project Funding Sources:



APPLICANT:

Madison Area Community Land Trust - Mosaic Ridge

### 3. PROJECT EXPENSES

Enter the proposed project expenses

#### Acquisition Costs

#### Amount

|                                 |     |
|---------------------------------|-----|
| Land                            | \$2 |
| Existing Buildings/Improvements | \$0 |
| Other (List)                    |     |
|                                 | \$0 |

#### Construction:

|                           |           |
|---------------------------|-----------|
| Construction/Rehab Costs  | \$501,000 |
| Construction Profit       | \$50,000  |
| Construction Overhead     | \$50,000  |
| General Requirements      | \$17,000  |
| Construction Supervision  | \$0       |
| FF&E/Personal Property    | \$0       |
| Demolition                | \$0       |
| Site Work                 | \$0       |
| Landscaping               | \$6,000   |
| Letter of Credit/P&P Bond | \$0       |
| Construction Contingency  | \$29,998  |
| Other (List)              |           |
|                           | \$0       |

<--- If applicable, please list the costs attributable to "above and beyond" green building/Net Zero construction components included in the Construction Costs line item:

|                |
|----------------|
| 7kW H PV array |
|                |
|                |

Total Cost:

\$30,000

#### Architectural & Engineering

|                         |         |
|-------------------------|---------|
| Architect - Design      | \$6,000 |
| Architect - Supervision | \$0     |
| Engineering             | \$0     |
| Other (List)            |         |
|                         | \$0     |

#### Interim/Construction Costs

|                                   |          |
|-----------------------------------|----------|
| Builder's Risk/Property Insurance | \$3,000  |
| Construction Loan Interest        | \$12,000 |
| Construction Loan Origination Fee | \$4,000  |
| Real Estate Taxes                 | \$4,000  |
| Park Impact Fees                  | \$0      |
| Other Impact Fees                 | \$0      |
| Other (List)                      |          |
|                                   | \$0      |

#### Financing Fees

|                                |     |
|--------------------------------|-----|
| Cost of Bond Issuance          | \$0 |
| Permanent Loan Origination Fee | \$0 |
| Credit Enhancement             | \$0 |
| Other Permanent Loan Fees      | \$0 |

#### Soft Costs

|              |         |
|--------------|---------|
| Appraisal    | \$1,000 |
| Market Study | \$500   |

|                                      |                  |
|--------------------------------------|------------------|
| Environmental Reports                | \$0              |
| Survey                               | \$0              |
| Permits                              | \$2,500          |
| Lease-Up Period Marketing            | \$0              |
| Accounting/Cost Certification        | \$0              |
| Title Insurance and Recording        | \$0              |
| Relocation                           | \$0              |
| FF&E                                 | \$0              |
| Capital Needs Assessment (if rehab)  | \$0              |
| Legal                                | \$2,000          |
| Other (List)                         |                  |
|                                      | \$0              |
| <b>Fees:</b>                         |                  |
| Bridge Loan Fees                     | \$0              |
| Organizational Fees                  | \$0              |
| Syndication Fees                     | \$0              |
| Total Development Fee                | \$30,000         |
| Developer Overhead                   | \$6,000          |
| Other Consultant Fees                | \$0              |
| Other (List)                         |                  |
| Broker fees                          | \$25,000         |
| <b>Reserves Funded from Capital:</b> |                  |
| Lease-Up Reserve                     | \$0              |
| Operating Reserve                    | \$0              |
| Replacement Reserve                  | \$0              |
| Capital Needs Reserve                | \$0              |
| Debt Service Reserve                 | \$0              |
| Escrows                              | \$0              |
| Other: (List)                        |                  |
|                                      | \$0              |
| <b>TOTAL COSTS:</b>                  | <b>\$750,000</b> |

August 31, 2022

To the CDBG Committee:

Thank you for considering MACLT's application for funding for this year's Housing Forward award. In seeking to expand MACLT's units, we have decided to partner with two developers this year: Wisconsin Partnership for Housing Development (WPHD) and Kaba Baal LLC. We would accept any available funding sources for this work, but would most prefer City Levy / Affordable Housing Funds (AHF), as we have learned first hand that they are more flexible and easier to work with in this challenging real estate market.

Our top priority for this application is to be able to add two new homes at the Mosaic Ridge lots, which WPHD would develop.

Our second priority is to be able to add 4 new attached homes at one of the available Owl Creek lots, which Kaba Baal LLC would develop. We would prefer to either develop 5165-73 Great Gray Drive (lot 40) OR 5166-72 Great Gray Drive (lot 41), as either of these addresses is large enough to fit 4 units, as opposed to the smaller lot (lot 29) in the area.

We are additionally seeking funds for 1 acquisition-rehab home that WPHD would develop, meaning 7 units total.

If not all of these lots at Mosaic Ridge and Owl Creek are available to MACLT for new development, we would still like to add 7 units total to the land trust in this grant cycle. The team would use the funds instead for acquisition-rehab within the City of Madison. If needed, MACLT staff could also act as a developer for up to two acquisition-rehab properties to make sure we hit our goal of 7 properties total for this grant cycle. We much prefer AHF funds for acquisition-rehab projects in particular, as these projects require more flexibility in the funding to compete for homes on the housing market.

Thank you for your assistance and interest in funding these developments,

A handwritten signature in black ink, appearing to read "Olivia Williams". The signature is fluid and cursive, with the first name "Olivia" and last name "Williams" clearly distinguishable.

Olivia Williams  
Executive Director  
Madison Area Community Land Trust

**MEMORANDUM OF UNDERSTANDING**  
**between**  
**KABA-BAAL LLC**  
**and**  
**MADISON AREA COMMUNITY LAND TRUST**

This memorandum of understanding (MOU), entered on 08/29/2022, by and between Kaba Bah of Kaba-Baal LLC and Olivia Williams of Madison Area Community Land Trust (MACLT).

**I. PURPOSE**

The purpose of this MOU is to identify the roles and responsibilities of each party as they relate to collaborating to provide affordable housing development with permanent affordability in the City of Madison.

**II. BACKGROUND**

The MACLT is an experienced non-profit that has operated a Community Land Trust in the Madison area and specializes in providing permanently affordable housing and long-term stewardship of that affordability. Kaba Baal LLC is an experienced developer that has developed affordable housing in communities around Wisconsin, including Madison, and has experience in many forms of affordable housing including homeownership.

**III. OBLIGATIONS OF THE PARTIES:**

The parties acknowledge that no contractual relationship is created between them by this Memorandum but agree to work together in the spirit of partnership to ensure that there is a united visible and responsive leadership of the project throughout the process from pre-development to affordable homeownership transfer.

The activities and services for the project shall include, but are not limited to:

**A: Rights and Responsibilities of Kaba Baal LLC include:**

- Identify available land and negotiate acquisition terms for development parcel(s) or properties for rehabilitation within the city of Madison, consistent with the terms of the City of Madison development loan contract and in accordance with regulations and requirements of applied funding sources.
- Assemble the development team and manage the construction process to ensure the projects meet deadlines and budget.
- Secure financing sufficient to bring the project to fruition.



- Negotiate contracts with vendors, contractors, subcontractors, and suppliers to obtain the best possible price.
- Create project financial pro-forma to determine its viability and identify potential problems in the design or engineering phase of construction.
- Hire architects, engineers, contractors, and other professionals for the construction or rehabilitation of these buildings.
- Coordinate with architects and engineers during construction to ensure that designs meet local codes and regulations
- Comply with all the required City of Madison, HUD, state, or other rules and/or zoning requirements.
- At the time of sale, sell the improvements to an eligible homebuyer and transfer the land, and any associated LURAs and City of Madison notes on the land to MACLT.
- Provide final report of financial sources and uses after completion of project.
- Collect the developer fee from City of Madison after home sale.
- Ensure that any additional proceeds from the sale will be distributed to MACLT.
- 

**B: Rights and Responsibilities of Madison Area Community Land Trust include:**

- Apply for funding to support the project.
- Secure qualified homebuyers to purchase the improvements.
- Aid homebuyers as necessary and reasonable to apply and secure lending.
- Communicate with the City of Madison on contract related issues in a timely manner.
- Submit reports and updates to the City of Madison as required.
- Provide long-term stewardship of each home.
- Accept responsibility for any LURA, City of Madison mortgages, HOME or other repayment obligations that arise from ineligible homeowners during the required affordability period (after Kaba Baal LLC has exited from the development).
- Advise Kaba Baal on development priorities and setting a sale price for each home developed.
- Collect any proceeds from the sale of the home aside from the Developer Fee.

**Resources:**

The partners will endeavor to have final approval and secure any financing necessary to fulfill the development of the project. If no financing is secured from the City of Madison, this project is not expected to come to fruition.

**V. REPORTING**

Both parties agree to provide information and data in a timely manner to allow for required reporting per the terms of any funding agreements.

## VI. EFFECTIVE DATE AND SIGNATURE

This MOU shall be effective upon the signature of both parties' chief executives. It shall be in effect from October 1, 2022, until December 31, 2024. The agreement may be modified by mutual consent.

DocuSigned by:  
  
7E20B8B8B0D740A...

**Kaba Bah**

**Owner, Kaba-Baal LLC**

**Date:** 8/31/2022

DocuSigned by:  
  
E0AEBE280D8743A...

**Olivia Williams**

**Executive Director, MACLT**

**Date:** 8/31/2022

**MEMORANDUM OF UNDERSTANDING**  
**Between**  
**WISCONSIN PARTNERSHIP FOR HOUSING DEVELOPMENT, INC.**  
**And**  
**MADISON AREA COMMUNITY LAND TRUST**

This agreement exists between the Madison Area Community Land Trust (MACLT) and the Wisconsin Partnership for Housing Development (WPHD).

**I. Purpose & Scope**

The purpose of this MOU is to identify the roles and responsibilities of each party as they relate to collaborating to provide affordable housing development with permanent affordability in the City of Madison.

**II. Background**

The MACLT is an experienced non-profit that has operated a Community Land Trust in the Madison area and specializes in providing permanently affordable housing and long-term stewardship of that affordability. The WPHD is an experienced non-profit that has developed affordable housing in communities around Wisconsin, including Madison, and has experience in many forms of affordable housing including homeownership. In addition, the WPHD has staff experienced in developing units that are permanently affordable.

**III. WPHD Responsibilities under this MOU**

The WPHD shall:

- Acquire property consistent with the development plan.
- Secure financing sufficient to bring the project to fruition.
- Conduct bidding, contracting, and construction management services sufficient to generate housing units in accordance with regulations and requirements of applied funding sources and development priorities of MACLT.
- Charge an agreed upon amount for development services (i.e. developer fee) and related construction management services.
- Assist with brokering the property.
- Comply with all the required City of Madison, HUD, state, or other rules and/or zoning requirements.
- At the time of sale, sell the improvements to an eligible homebuyer and transfer the land and any associated LURAs and City of Madison notes on the land to MACLT.
- Provide final report of financial sources and uses after completion of each project.

**IV. MACLT Responsibilities under this MOU**

The MACLT shall:

- Apply for funding to support the project.
- Advise WPHD on development priorities and setting a sale price for each home developed.
- Secure qualified homebuyers to purchase the improvements.
- Aid homebuyers as necessary and reasonable to apply and secure lending.
- Communicate with the City of Madison on contract related issues in a timely manner.
- Submit reports and updates to the City of Madison as required.
- Provide long-term stewardship of each home.
- Accept responsibility for any LURA, City of Madison mortgages, HOME or other repayment obligations that arise from ineligible homeowners during the required affordability period (after WPHD has exited from the development).

## V. Reporting Requirements

Both parties agree to provide information and data in a timely manner to allow for required reporting per the terms of any funding agreements.

## VI. Effective Date and Signature

This MOU shall be effective upon the signature of both parties' chief executives. It shall be in effect from October 1, 2022, until December 31, 2024. The agreement may be modified by mutual consent.

DocuSigned by:  
  
A01CD16F5C064D8

Todd Mandel  
Executive Director, WPHD

Date: 8/31/2022

DocuSigned by:  
  
E0AEBE289D8743A

Olivia Williams  
Executive Director, MACLT

Date: 8/31/2022

# **Madison Area Community Land Trust (MACLT) with Kaba Baal, LLC. and the Wisconsin Partnership for Housing Development (WPHD)**

## **Permanent Affordable Homeownership Development**

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**Response Submission Due Date: September 30, 2022 NOON**

---

### **INSTRUCTION TO APPLICANTS:**

Please respond ***briefly and succinctly*** to the questions below in-line, unless otherwise specified (e.g. additional documentation requested). Maximum 1/3 a page per question. We ask that you refrain from submitting additional documentation not specifically requested at this time or using alternative formats.

Please use this Word document to record your answers and return this completed document to [mdavila-martinez@cityofmadison.com](mailto:mdavila-martinez@cityofmadison.com). Please cc: [cddapplications@cityofmadison.com](mailto:cddapplications@cityofmadison.com)

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### **QUESTIONS**

#### **Feasibility and Budget**

1. For the budget request of Owl Creek lots, the estimated amount for design costs is listed as \$60,000. This amount is higher than average costs can you elaborate?
  - a. This estimate was based on an average multi unit development with a design cost of about \$15k per unit. As a result of this question, we have contacted two local design companies, namely (Plunkett Raysich *Architects* and Sketckwork's Architects) for more precise estimates. Sketchworks has confirmed that they can do it for an estimated cost of \$30,000 for the 4 units total provided that they are not responsible for survey and site engineering.

#### **Innovation and Neighborhood Stability**

1. MACLT offers a unique point system that prioritizes applicants based on "need, risk of displacement, being a first-generation homebuyer, and having a disability that meets accessibility measures of the home."
  - a. How does the point system prioritize between the identified priorities noted above?

Each category has a certain number of points available and points of each applicant are added up to determine a top buyer when multiple eligible applicants are interested in the same home. The board started with a template of this policy from the largest CLT in the US (Champlain Housing Trust), and then modified it based on lengthy conversations around equity, our mission, and our values, and the policy was reviewed by our partners as well as our lawyer. The [Applicant Selection Criteria](#) policy is available online, but too long to paste in full here.

- b. How does MACLT collect this information and verify categories such as “first generation buyer” or “at risk of displacement?”

This information is initially collected in MACLT's [Pre-application](#) form. Since this policy's adoption, there have not yet been any close competitions for points involving these categories between potential buyers. MACLT's board has decided to use an honor system of written response to both the pre-application, as well as follow-up communication with staff to verbally verify information in these categories when it becomes relevant. Applicants sign to verify that they have provided correct information. MACLT's focus on racial justice and equity has guided our board in making these decisions, to reduce the need for "proofing" paperwork (which might be impossible to provide). This is also why we ask no questions related to previous arrests or rental history.
- 2. With a waitlist of nearly 70 interested households, how does MACLT continue engagement with households on the waitlist to best prepare them for purchasing a home either through the land trust or in the private market?
  - a. MACLT does not receive funding for pre-purchase counseling, and we do not have as part of our mission to prepare buyers for any homes other than homes in our own program, which come up for sale 1-5 times per year. Despite the lack of resources for this service, MACLT holds regular MACLT Orientations, and responds to any questions about homebuying via phone or email. When an applicant has a credit score below 600, MACLT sends resources for credit coaching services. Additionally, staff always suggest that prospective buyers begin working with our partnered lenders to get mortgage pre-approvals and see what downpayment assistance they qualify for. Some homeowners then find a home they qualify for on the conventional home market. MACLT also sends reminders about free HUD-certified First-Time Homebuyer Courses, which are required for our homes as well as many other programs. Many of our prospective buyers also come to our required Orientation session, where they meet our partnered realtor, Tiffany Malone. Some of the attendees begin working with Tiffany and find homes another way with her assistance.
- 3. Earlier this year, Community Development Division staff took a small sample survey from Owl Creek renters to gauge interest in homeownership. Responses indicated that many renters were interested in pursuing homeownership.
  - a. Will the land trust perform targeted outreach activities in Owl Creek to notify current renters in the area of homeownership opportunities available through MACLT?

Yes. Targeted outreach will be included in the Affirmative Marketing Plan for these lots. It could include advertisements in neighborhood news outlets, local community centers, or mailers in the area.