### **Application for Neighborhood and Community Development Funds**

Applications should be submitted electronically to <u>cdbg@cityofmadison.com</u> by 12:00 p.m. on the first Friday of the month and will be reviewed by the CDBG Committee on the first Thursday of the following month.

| Program T       | itle: Kitchen & Housing             | Amount Requested: | \$200,000       |
|-----------------|-------------------------------------|-------------------|-----------------|
| Agency:         | Porchlight, Inc.                    | Tax ID/EIN/       | FEIN:39-2579521 |
| Address:        | 306 North Brooks St., Madison 53715 | DUNS #:           | 608303822       |
| Contact Person: | Steven J. Schooler                  | Telephone         | 608-257-2534    |
| E               | Email:schooler@tds.net              | <br>Fax           | : 608-257-2507  |

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

Homelessness, particularly for single adults continues to be a pressing problem. The most recent Point-In Time survey found 360 single adults in shelter (including transitional housing) and 92 unsheltered. Almost half of these suffer from severe mental illness and 20% consider themselves chronic. This project combines an expansion of the Porchlight Products program with 16 to 22 units of additional low-cost supported housing. This project will provide housing, employment training and meaningful stabilizing employment activity for homeless persons with disabilities. Porchlight Products currently is located in an overcrowded kitchen space at Brooks Street. This will develop a new, larger and more effective and efficient kitchen facility with residential housing units located on site. The low-cost housing will serve 16 homeless individuals, virtually all with disabilities, with the goal of retention of permanent housing. Support services will be provided to all residents by Porchlight, complemented by numerous other partners of the Dane County Homeless Services Consortium. In addition, 60 persons will be provided with employment training and meaningful employment activity through the expanded kitchen. Porchlight's maintenance service center for all of its facilities will also be located on site, providing additional job training and employment opportunities.

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

# unduplicated individuals estimated to be served by this project.

20 disabled homeless individuals in the housing; 60 disabled formerly homeless persons will be served with employment training and meaningful employment activity.

# unduplicated households estimated to be served by this project. This is the same as set forth for individuals to be served.

|    |   | <u>ctives</u> : The 5-Year Plan lists 9 project proposal and describe how this project.  |                                 |   |                                     |  |
|----|---|--|---------------------------------|---|-------------------------------------|--|
|    | B. Housing – C. Housing – E. Economic F. Economic | Existing Owner-Occupied For Buyers Rental Housing Dev. – Business Creating Jobs Dev. – Micro-enterprise C Housing Rental Housing as it prov for homeless persons, mainly disa opportunities for the residents of the employment opportunity. | K.<br>L.<br>N.<br>/ide:<br>bled | Neighborhood Rev<br>Access to Housing<br>s 16 to 20 units of p<br>l. However, this do | Faci<br>taliz<br>Res<br>erm<br>es o | ilities<br>cation<br>cources<br>anent low-cost rental housing<br>create significant employment |
| 1. | Fund Objectives:                                  | Check the fund program objective v funding.)   | vhicl                           | n this project meets.   | (Ch                                 | eck all for which you seek   |
|    | Acquisition/<br>Rehab                             | New Construction, Acquisition, Expansion of Existing Building Accessibility Maintenance/Rehab Other  |                                 | Futures   |                                     | Prototype Feasibility Study Revitalization Opportunity New Method or Approach                  |
|    | Housing   | <ul><li>☑ Rental Housing</li><li>☐ Housing For Buyers</li></ul>  |                                 | Homeless  |                                     | Housing<br>Services  |

### 5. <u>Budget</u>: Summarize your project budget by estimated costs, revenue, and fund source.

|    | EXPENDITURES                                      | TOTAL<br>PROJECT<br>COSTS | AMOUNT OF<br>CD<br>REVENUES | AMOUNT OF<br>NON-CD<br>REVENUES | SOURCE OF<br>NON-CD<br>FUNDED<br>PORTION |
|----|---|---------------------------|-----------------------------|---------------------------------|--|
| Α. | Personnel Costs                                   |                           |                             |                                 |  |
|    | Salaries/Wages (attach detail)                    |                           |                             |                                 |  |
|    | 2. Fringe Benefits                                |                           |                             |                                 |  |
|    | 3. Payroll Taxes                                  |                           |                             |                                 |  |
| В. | Non-Personnel Costs                               |                           |                             |                                 |  |
|    | Office Supplies/Postage                           |                           |                             |                                 |  |
|    | 2. Telephone                                      |                           |                             |                                 |  |
|    | 3. Rent/Utilities                                 |                           |                             |                                 |  |
|    | 4. Professional Fees & Contract Services          |                           |                             |                                 |  |
|    | 5. Work Supplies and Tools                        |                           |                             |                                 |  |
|    | 6. Other:   |                           |                             |                                 |  |
| C. | Capital Budget Expenditures (Detail in attachment | C)                        |                             |                                 |  |
|    | Capital Cost of Assistance to Individuals (Loans) |                           |                             |                                 |  |
|    | 2. Other Capital Costs: (see attachment C)        | \$3,775,000               | \$200,000                   | \$3,575,000                     | Various                                  |
| D. | TOTAL (A+B+C)                                     | \$3,775,000               | \$200,000                   | \$3,575,000                     |  |

### 6. Action Plan/Timetable

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

Estimated Month of Completion (If applicable)

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

- 1. Site selection and commitment architects & Porchlight: end of May 2015 (with preliminary architect's drawings and cost estimates)-- the construction drawings and estimates can be completed either during negotiations or/while property is under sales commitment and before closing;
- 2. Proper zoning with conditional use permit if necessary architects, lawyers & Porchlight: end of May, 2015
- 3. Purchase of property Porchlight: June, 2015;
- 4. Drawings and specifications completed architects: end of July, 2015;
- 5. Kitchen Construction contracts bid, negotiated Porchlight, architects & general contractor: end of October, 2015:
- 6. Kitchen Construction begins Porchlight, architects & general contractor: November, 2015 (if contracts completed and weather cooperates); and
- 7. Kitchen Construction completed and opening -- Porchlight, architects & general contractor: February, 2016
- 8. Housing Construction Begins Porchlight, architects & general contractor: April, 2016
- 9. Housing Construction completed Porchlight, architects & general contractor, December, 2016

Note: this project is proposed to be done in stages. Porchlight Federal Home Loan Bank funding will not be available for housing until December 2015.

That was the response of the alderperson of the district to the project?

Alder Joe Clausius is supportive of the project.

| 8.  | Does age<br>committee                          | ency s<br>d or p       | eek funds for property acq<br>proposed to be used to mee  | uisition and/or let the 25% mate  | rehab?<br>ch requ                         | [If applica<br>irements                           | able,<br>(HOI                   | describe the amount of funds<br>ME or ESG) with its qualifications.]  |              |
|-----|--|------------------------|---|---|---|---|---------------------------------|---|--------------|
|     | □ No   | o C                    | Complete Attachment A   |   |   |   |                                 |   |              |
|     | Y€   | es C                   | Complete Attachment B and C a   | nd <u>one</u> of the follo  | owing:                                    |   | D                               | Facilities  |              |
|     | -  |                        |   |   |   |   | E                               | Housing for Buyers  |              |
|     |  |                        |   |   |   |   | F                               | Rental Housing and Proforma   |              |
| 9.  | Do you qı<br>qualificati                       | •                      | as a Community Housing I  | Development C   | rganiza)                                  | ation (CHI  | OO)?                            | ? (See attachment G for   |              |
|     | $\boxtimes$                                    | ] No                   |   | Yes - Complete  | e Attachr                                 | ment G  |                                 |   |              |
| 10. | Do you se                                      | eek S                  | cattered Site Acquisition F   | unds for acquis   | ition of                                  | service-e   | nrich                           | ned housing?  |              |
|     | ×  | ☑ No                   |   | Yes - Complete  | e Attachr                                 | ment B, C,  | F, an                           | d H   |              |
| 11. | Do you se                                      | eek E                  | SG funds for services to he   | meless persor   | ns?                                       |   |                                 |   |              |
|     | $\triangleright$                               | ☑ No                   |   | Yes - Complete  | e Attachr                                 | ment I  |                                 |   |              |
| 12. |  |                        | s hereby submitted with the<br>he agency executive direct   |   |   |   | tors/                           | Department Head and with the  |              |
|     |  |                        | Future Fund (Attachment A)  |   |   | Housing fo  | or Re                           | sale (Attachment E)   |              |
|     |  | $\boxtimes$            | Property Description (Attachme  | nt B)   | $\boxtimes$                               | Rental Ho   | using                           | and Proforma (Attachment F)   |              |
|     |  | $\boxtimes$            | Capital Budget (Attachment C)   |   |   | CHDO (Att   | achm                            | ent G)  |              |
|     |  |                        | Community Service Facility (At  | tachment D)   |   | Scattered   | Site I                          | Funds Addendum (Attachment H)   |              |
|     |  |                        |   |   |   | ESG Fund  | ling A                          | ddendum (Attachment I)  |              |
| 13. | file either                                    | an e                   | tion: If funded, applicant hexemption or an affirmative dinstructions are available                             | action plan w   | ith the                                   | Departme  | ent d                           | f Madison Ordinance 39.02(9) and of Civil Rights. A Model Affirmative or/aaForms.cfm.   | t<br>e       |
| 14. | Ordinanc<br>39.05(7)<br>of Compl<br>assistance | es, Nof the iance e. A | londiscrimination Based o<br>Madison General Ordinan<br>with Sec. 39.05 is provide<br>oplicant hereby makes the | n Disability in<br>ces, no City fir<br>d by the applic<br>following assur | City-As<br>ancial a<br>ant or r<br>ances: | sisted Pr<br>assistanc<br>ecipient,  <br>Applican | ogra<br>e sha<br>prior<br>t ass | Section 39.05, Madison General ms and Activities. Under section all be granted unless an Assurance to the granting of the City financial sures and certifies that it will comply innation Based on Disability in City | n<br>e<br>il |

Facilities and City-Assisted Programs and Activities," and agrees to ensure that any subcontractor who performs any part of this agreement complies with sec. 39.05, where applicable, including all actions prohibited under

section 39.05(4),. MGO." http://www.cityofmadison.com/dcr/aaForms.cfm

15. 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.

| Signature: | President Board of Directors/Department Head | Date: 3/4/15 |
|------------|--|--------------|
| Signature: | Executive Director                           | Date: 3/5/15 |

For additional information or assistance in completing this application, please contact the Community Development Division at 266-6520.

# COMPLETE IF PROJECT INVOLVES PURCHASE, REHAB, OR CONSTRUCTION OF ANY REAL PROPERTY:

## INFORMATION CONCERNING PROPOSALS INVOLVING REAL PROPERTY

|  |                              |                                | ·                              | · · · · · · · · · · · · · · · · · · · |
|--|------------------------------|--------------------------------|--------------------------------|---------------------------------------|
| ADDRESS  |                              |                                |                                |                                       |
| ACTIVITY (Circle Each                              | Applicable<br>Phase)         | Purchase<br>Rehab<br>Construct | Purchase<br>Rehab<br>Construct | Purchase<br>Rehab<br>Construct        |
| NUMBER OF UNITS                                    | Prior to<br>Purchase         | 0                              |                                |                                       |
| OF UNITS   | After Project                | 16                             |                                |                                       |
| Number of<br>Units Currently                       | Occupied                     | 0                              |                                |                                       |
| Number of<br>Tenants To Be                         | Displaced?                   | 0                              |                                |                                       |
| APPRAISED VALI                                     | Current                      | 1,284,500                      |                                |                                       |
| D VALUE:   | After Rehab/<br>Construction | \$3,775,000                    |                                |                                       |
| PURCHASE<br>PRICE                                  | (If Applicable)              | \$1,000,000                    |                                |                                       |
| ACCESSIBLE TO INDIVIDUALS WITH PHYSICAL HANDICAPS? | Currently? Post-project?     | 0                              |                                |                                       |
| ACCESSIBLE TO INDIVIDUALS WITH PHYSICAL HANDICAPS? | Post-project?                | 2                              |                                |                                       |
| PRIOR USE  | IN BUILDING?                 | None                           |                                |                                       |

### Attachment C

### PORCHLIGHT PRODUCTS COMMERICAL KITCHEN & HOUSING CONSTRUCTION & DEVELOPMENT BUDGET

| TOTAL EXPENSES | Replacement Reserve         | Contingency                 | Building / Housing unts       | Building / Service & Kitchen  | Equipment / Miscellaneous related to kitchen | Legal fees (donated) | Architects, Engineer & Surveying | Permits & Fees               | Site work: storm water / landscaping | Land Acquisition               | EXPENSES | TOTAL REVENUES | In-kind donations (legal fees) | Other Individuals / Foundations | Business Donors | CUNA Mutual Foundation | Federal Home Loan Bank | MG&E Foundation | Madison Community Foundation | Nimick Forbesway Foundation | Anonymous Foundation | Goodman Foundation | CDBG / City of Madison | Grant Income | Contributions (including land donation) | REVENUES / SOURCE            |
|----------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|--|----------------------|----------------------------------|------------------------------|--------------------------------------|--------------------------------|----------|----------------|--------------------------------|---------------------------------|-----------------|------------------------|------------------------|-----------------|------------------------------|-----------------------------|----------------------|--------------------|------------------------|--------------|---|------------------------------|
| \$3,755,000    | \$55,000                    | \$40,000                    | \$1,080,000                   | \$805,000                     | \$200,000                                    | \$10,000             | \$90,000                         | \$75,000                     | \$100,000                            | \$1,300,000                    | 1        | \$3,775,000    | \$10,000                       | \$1,495,000                     | \$200,000       | \$10,000               | \$280,000              | \$20,000        | \$50,000                     | \$400,000                   | \$500,000            | \$150,000          | \$200,000              |              | \$460,000                               | AMOUNT                       |
|                | \$55,000 Other Ind. /Found. | \$40,000 Other Ind. /Found. | FHLB                          | Goodman Found.                | Annon Donor                                  | Michael Best         | MG&E                             | Nimick                       | Madison Comm.                        | \$1,300,000 Other Ind. /Found. | SOURCE   | \$2,356,500    | \$10,000                       | \$961,500                       | \$5,000         | \$10,000               |                        | \$20,000        | \$50,000                     | \$400,000                   | \$500,000            |                    |                        |              | \$400,000                               | COMMITED                     |
|                | \$55,000                    | \$40,000                    | \$280,000                     | \$150,000                     | \$100,000                                    | \$10,000             | \$20,000                         | \$50,000                     | \$50,000 Nimick                      | \$300,000 CDBG                 | AMOUNT   | \$1,418,500    |                                | \$533,500                       | \$195,000       |                        | \$280,000              |                 |                              |                             |                      | \$150,000          | \$200,000              |              | \$60,000                                | ANTICIPATED 2                |
|                |                             |                             | Business Donors               | Other Ind. / Found            | \$100,000 Other Ind. / Found                 |                      | CUNA                             | \$50,000 Porchlight Contrib. | Nimick                               | CDBG                           | SOURCE   |                |                                | 10/1/2015                       | 12/1/2015       |                        | 12/1/2015              |                 |                              |                             |                      | 8/1/2015           | 6/1/2015               |              |   | ANTICIPATED DATE ANTICIPATED |
|                |                             |                             | \$200,000 Nimick              | \$500,000 P                   | \$100,000                                    |                      | \$10,000 P                       | \$25,000                     | \$50,000                             | \$200,000 Anon Donor           | AMOUNT   |                |                                |                                 |                 |                        |                        |                 |                              |                             |                      |                    |                        |              |   | $\overline{q}$               |
|                |                             |                             | limick                        | \$500,000 Porchlight Contrib. |  |                      | \$10,000 Porchlight Contrib.     |                              |                                      | non Donor                      | SOURCE   |                |                                |                                 |                 |                        |                        |                 |                              |                             |                      |                    |                        |              |   |                              |
|                |                             |                             | \$100,000 C                   | \$5,000 £                     |  |                      | \$60,000                         |                              |                                      | \$250,000 Nimick               | AMOUNT   |                |                                |                                 |                 |                        |                        |                 |                              |                             |                      |                    |                        |              |   |                              |
|                |                             |                             | \$100,000 Other Ind. / Found. | \$5,000 Annon. Donor          |  |                      |                                  |                              |                                      | Vimick                         | SOURCE   |                |                                |                                 |                 |                        |                        |                 |                              |                             |                      |                    |                        |              |   |                              |
|                |                             |                             | \$500,000                     | \$150,000                     |  |                      |                                  |                              |                                      | \$200,000 P                    | AMOUNT   |                |                                |                                 |                 |                        |                        |                 |                              |                             |                      |                    |                        |              |   |                              |
|                |                             |                             |                               |                               |  |                      |                                  |                              |                                      | \$200,000 Porchlight Contrib.  | SOURCE   |                |                                |                                 |                 |                        |                        |                 |                              |                             |                      |                    |                        |              |   |                              |
|                |                             |                             |                               |                               |  |                      |                                  |                              |                                      | \$350,000                      | AMOUNT   |                |                                |                                 |                 |                        |                        |                 |                              |                             |                      |                    |                        |              |   |                              |

| ome                            | YEAR 1<br>72,000<br>2,880 | YEAR 2<br>72,720<br>2,910 | YEAR 3<br>73,450<br>2,940 | YEAR 4<br>74,180 | YEAR 5<br>74,920 | YEAR 4 YEAR 5 YEAR 6 YE | YEAR 7<br>76,430 | YEAR 8  | YEAR 9 | YEAR 10 | YEAR 11 | YEAR 12 |         | \R 14   | YEAR 15 |
|--------------------------------|---------------------------|---------------------------|---------------------------|------------------|------------------|--|------------------|---------|--------|---------|---------|---------|---------|---------|---------|
| ome<br>ncy                     | 72,000                    | 72,720                    | 73,450                    | 74,180           | 74,920           | 75,670   | 76,430           | 77.190  | 77 960 |         |         |         |         | +       |         |
| ome<br>ncy                     | 72,000<br>2,880           | 72,720<br>2,910           | 73,450<br>2,940           | 74,180           | 74,920           | 75,670   | 76,430           | 77.190  | 77 960 |         |         |         |         |         |         |
| ncy                            | 2,880                     | 2,910                     | 2,940                     | 2 970            |                  |  | ŀ                |         | 11,000 | 78,740  | 79,530  | 80,330  | 81,130  | 81,940  | 82,760  |
|                                |                           |                           |                           | 0,77             | 3,000            | 3,030  | 3,060            | 3,090   | 3,120  | 3,150   | 3,180   | 3,210   | 3,250   | 3.280   | 3.310   |
| Net Income 6                   | 69,120                    | 69,810                    | 70,510                    | 71,210           | 71,920           | 72,640   | 73,370           | 74,100  | 74,840 | 75,590  | 76,350  | 77,120  | 77,880  | 78.660  | 79.450  |
| Expenses                       |                           |                           |                           |                  |                  |  |                  |         |        |         |         |         |         |         |         |
| Audit                          | 5,740                     | 5,860                     | 5,980                     | 6,100            | 6,220            | 6,350  | 6,480            | 6,610   | 6,740  | 6,870   | 7,010   | 7,150   | 7,290   | 7,430   | 7.580   |
| Taxes                          |                           |                           |                           |                  |                  |  |                  |         |        |         |         |         |         |         | ,       |
| Insurance                      | 2,850                     | 2,910                     | 2,970                     | 3,030            | 3,090            | 3,150  | 3,210            | 3,270   | 3,340  | 3,410   | 3,480   | 3,550   | 3.620   | 3.690   | 3.760   |
| Maintenance 1                  | 10,000                    | 10,200                    | 10,410                    | 10,620           | 10,830           | 11,050   | 11,270           | 11,500  | 11,730 | 11,960  | 12,200  | 12,440  | 12,690  | 12,940  | 13,200  |
| Utilities 1                    | 14,590                    | 14,880                    | 15,180                    | 15,480           | 15,790           | 16,110   | 16,430           | 16,760  | 17,090 | 17,440  | 17,790  | 18,150  | 18,510  | 18,880  | 19.260  |
| Property Management            | 5,430                     | 5,480                     | 5,540                     | 5,590            | 5,650            | 5,710  | 5,760            | 5,820   | 5,880  | 5,940   | 6,000   | 6,060   | 6,120   | 6,180   | 6,240   |
| Operating Reserve Pmt          |                           |                           |                           |                  |                  |  |                  |         |        |         |         |         |         |         |         |
| Replacement Reserve Pmt        | 1,000                     | 1,000                     | 4,010                     | 3,440            | 2,850            | 2,230  | 1,620            | 1,000   | 1,000  | 1,000   | 1,000   | 1,000   | 1,000   | 1,000   | 1,000   |
| Support Services 2             | 26,890                    | 27,430                    | 21,270                    | 21,700           | 22,130           | 22,570   | 23,020           | 23,480  | 23,950 | 24,430  | 24,920  | 25,420  | 25,930  | 26,450  | 26,980  |
| Affirmative Marketing          |                           |                           |                           |                  |                  |  |                  |         |        |         |         |         |         |         |         |
| Other damages, bus passes      | 4,950                     | 5,050                     | 5,150                     | 5,250            | 5,360            | 5,470  | 5,580            | 5,690   | 5,800  | 5,920   | 6,040   | 6,160   | 6,280   | 6,410   | 6,540   |
| Total Expenses 7               | 71,450                    | 72,810                    | 70,510                    | 71,210           | 71,920           | 72,640   | 73,370           | 74,130  | 75,530 | 76,970  | 78,440  | 79,930  | 81,440  | 82,980  | 84,560  |
| NET OPERATING INCOME (         | (2,330)                   | (3,000)                   | 0                         | 0                | 0                | 0  | 0                | (30)    | (690)  | (1,380) | (2,090) | (2,810) | (3,560) | (4,320) | (5,110) |
| Debt Service                   |                           |                           |                           |                  |                  |  |                  |         |        |         |         |         |         |         |         |
| First Mortgage                 |                           |                           |                           |                  |                  |  |                  |         |        |         |         |         |         |         |         |
| Other                          |                           |                           |                           |                  |                  |  |                  |         |        |         |         |         |         |         |         |
| Other                          |                           |                           |                           |                  |                  |  |                  |         |        |         |         |         |         |         |         |
| Total Debt Service             | 0                         | 0                         | 0                         | 0                | 0                | 0  | 0                | 0       | 0      | 0       | 0       | 0       | 0       | 0       | 0       |
| Total Annual Cash Expenses     |                           |                           |                           |                  |                  |  |                  |         |        |         |         |         |         |         |         |
| Debt Service Reserve           |                           |                           |                           |                  |                  |  |                  |         |        |         |         |         |         |         |         |
| Cash Flow                      |                           |                           |                           |                  |                  |  |                  |         |        |         |         |         |         |         |         |
| Assumptions:                   |                           |                           |                           |                  |                  |  |                  |         |        |         |         |         |         |         |         |
| Vacancy Rate                   | 4%                        | 4%                        | 4%                        | 4%               | 4%               | 4%   | 4%               | 4%      | 4%     | 4%      | 4%      | 4%      | 4%      | 4%      | 4%      |
| Annual Increase (Inc / Exp) 19 | 1%/2%                     | 1%/2%                     | 1%/2%                     | 1%/2%            | 1%/2%            | 1%/2%  | 1%/2%            | 1% / 2% | 1%/2%  | 1%/2%   | 1%/2%   | 1%/2%   | 1%/2%   | 1%/2%   | 1% / 2% |
| Carrying Charges               |                           |                           |                           |                  |                  |  |                  |         |        |         |         |         |         |         |         |
| Expenses                       |                           |                           |                           |                  |                  |  |                  |         |        |         |         |         |         |         |         |