

**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:	Habitat for Humanity Home Building Program		
Amount of Funds Requested:	\$	Amount Requested Per Unit:	\$
Type of Construction:	<input type="checkbox"/> New Construction (NC) <input 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:	8	Number of Affordable Units <80% CMI:	8
		Number of Affordable Units <50% CMI:	8
Name of Applicant:	Habitat for Humanity of Dane County		
Mailing Address:	3101 Latham Dr. Madison, WI 53713		
Telephone:	608-255-1549	Fax:	608-255-1823
Project / Program Contact:	Steve Hanrahan	Email:	shanrahan@habitatdane.org
Financial Contact:	Val Kudrna	Email:	vkudrna@habitatdane.org
Website:	www.habitatdane.org		
Legal Status:	<input type="checkbox"/> ACRE Graduate <input checked="" type="checkbox"/> Non-Profit <input type="checkbox"/> Non-Profit (CHDO)		
Federal EIN:	39-1592769	SAM/UEI #	TGPAJDKABHL1
Registered on SAM:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Community Housing Development Organization:	<input type="checkbox"/> Yes <input checked="" 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**

Name:


Date: 8/31/2022

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  VR 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.

This proposal is to express interest in purchasing the five total lots available in Owl Creek and Mosaic Ridge on behalf of Habitat Dane. Habitat Dane intends to create eight affordable homes and add to the affordable housing that it has already created in these neighborhoods.

Habitat Dane works with low-income first-time home buyers every day. It has completed 319 homes in Dane County since 1987. It has completed full entitlement and infrastructure development on five multi-unit neighborhoods since 2013, including Town Hall Crossing, the largest Habitat development in Wisconsin history.

Applicants to the Habitat Dane Program begin their journey by attending a one-hour information meeting where Habitat Dane staff explains the expectations of what is required of the family if accepted, the details of what a family needs to be eligible, the timeline that a family can expect from application to home purchase and a review of the application itself. Families will have a two-week window from the last information cycle to turn in a completed application.

All homeowners in progress take a series of classes on finance and budgeting, being a good neighbor, home maintenance, yard care, estate planning and HUD certified-first time homebuyer classes. They put in up to 425 hours of sweat equity working on the construction site of their own homes or working at the ReStores, and gain education and education during that process.

## 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

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.
2. 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.*

Habitat Dane has a 35-year track record of community development in the city of Madison, with strong community support and consistent interest from potential partner families. On average, about 200 people attend periodic Habitat Dane Information Sessions, where potential partner families learn about the Habitat Dane Home Building program and have the opportunity to apply.

The need for more affordable housing is clear. Home prices and rents grew faster in the City of Madison and Dane County than elsewhere in the state due to a significant gap in available units. Through 2020 UW-Madison Institute for Research on Poverty Fact Sheet discovered that 22% of all households in the county are cost-burdened, spending more than 30% of their income on housing. About 24% are severely cost-burdened, spending more than 50% of their income on housing. The rental vacancy rate is also very low at 2%, much lower than rates of a healthy market. This forces many into less than ideal conditions or locations, complicating access to preferred jobs, schools, services or units that can accommodate larger families.

Habitat Dane specializes in affordable housing development for low-income, low-asset households. Families who partner with Habitat Dane have a household income between 30% and 60% of Dane County median income to be eligible for the home buying program. Average income for Habitat Dane families in 2021 was \$40,986. Habitat Dane serves many poor and near poor families who frequently live paycheck to paycheck. All partner families are drawn from highly vulnerable communities: 100% are low-income (yet working hard to provide for their families). Annually, at least one third are living in substandard housing and unsafe environments. At least 26% are housing cost-burdened (spend more than 30% of income on housing). Many are single-parent households. 45% are female head of household. Approximately 70% (50% minority, 20% other) identify as minority races and ethnicities, many have disabilities or special needs that make finding adequate safe housing a uniquely onerous challenge.

Habitat Dane's goal of increasing access to safe and affordable housing is more important than ever, and the opportunity to purchase these five lots from the City would allow Habitat Dane to keep its commitment to low-income families.

Habitat Dane reaches prospective homeowners through extensive community outreach. Habitat Dane staff members contact faith organizations, businesses, schools, social service providers, and community organizations to spread awareness about the Habitat program to both perspective homeowners and potential referrers. Secondary referrals and self-referrals are also solicited through information on Habitat's website, e-newsletter, print newsletter, posters, and placement of enrollment sessions in community calendars and faith community bulletins. Many referrals also come from volunteers and current Habitat families.

Open enrollment sessions are held periodically throughout Dane County where program requirements are presented and applications are available with in-person page by page instructions. Habitat staff and a volunteer selection committee evaluate the applications based on the income, need, and willingness to partner. The Habitat Board of Directors then approves families for the program.

## AGENCY OVERVIEW

1. 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).

Habitat Dane's below market rate lending model creates a deficit in cash flow, offset by other funding sources. Habitat Dane receives generous cash and in-kind donations from the community to assist with this deficit. Charitable donations have averaged over a million dollars per year for the past several years. In addition, Habitat Dane operates two ReStore retail outlets that sell gently used home improvement items donated by the public. These stores net approximately \$445,000 per year out of a gross sales of \$2,150,000, providing additional cash to assist with the costs of home building and lending. In order to maintain building and lending services with a deficit cash flow model, and a break-even budget, additional funds are required.

Currently these funding sources include, but are not limited to:

1. \$200,000 - CDBG funds from the City of Madison
2. \$76,900 - United Way donations
3. \$582,600 - gift-in-kind donations, primarily volunteer labor to construct the homes

4. \$961,600 - raised from the community via monetary contributions
5. \$2,150,000 - combined income from Habitat's two ReStore retail operations
6. \$2,388,700 - for homeowner mortgages provided to the families purchasing homes
7. \$858,000 - other income, primarily mortgage sales and deferred mortgages paid off
8. \$274,400 -- CDFI Grant income Habitat Dane budgets to break-even with a contingency fund.

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

Habitat Dane has been partnering with the City of Madison for more than 10 years. In that time, there are 110 Habitat Dane properties in the city of Madison that received funding assistance through CDBG or HOME that total \$3,646,367.67. Habitat Dane has received \$610,200 since January 2, 2016. Paul Sukenik, Community Services Director, works closely with city staff to administer the CDBG and HOME grants that have been awarded to Habitat in the past. He has a thorough knowledge of the program regulations, parameters, and reporting requirements.

3. Describe how your agency builds relationships and authentically engages with individuals and households served.
- a. 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.

All partner families are drawn from highly vulnerable communities. 100% are low-income yet working hard to provide for their families. Annually, at least one third are living in substandard housing and unsafe environments. At least 26% are housing cost-burdened spending more than 30% of income on housing. Many are single-parent households. 45% are female head of household. Approximately 70% (50% minority, 20% other) identify as minority races and ethnicities and many have disabilities or special needs that make finding adequate safe housing a uniquely onerous challenge. All are first time homeowners. All would be hard pressed to secure equitable, affordable home financing from any other source besides Habitat Dane.

Habitat Dane serves a diverse group of families living in Dane County with household incomes of 30% to 60% of Dane county's median income. All these families meet the HUD definition of first-time home buyers who would be unable to obtain conventional financing to purchase a home. Habitat Dane uses community-wide outreach to develop an applicant pool diverse in race, family composition, languages spoken, and physical and mental ability. Outreach is followed by a careful screening process conducted by the professional Habitat staff and a team of dedicated community volunteers.

Habitat consistently serves families that are underrepresented in the traditional homebuyer market.

Sample demographics from 2021 closings include:

- 14% of the households served had a disabled member
- The average household income was \$40,986 with an average at 44.28% of County Median Income Sample race demographic over a four-year average:
  - 19.12% of mortgage holders identify as Black or African American (Increasing to 31.5% when all household members are factored in).
  - 18.32% as Asian (the percentage remains the same when factoring in household members)
  - 13.69% as Hispanic (increasing to 14.3% when factoring in all household members)
  - 45.47% as White (decreasing to 36.5% when factoring in all household members).

\*note – borrower race based on information provided while household member race is based on observation.

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.

Habitat Dane has collaborated with a number of local organizations including educational collaborations with Movin' Out, financial institutions like Bank of Sun Prairie, construction companies like Findorff, and individual professionals like Pam Blattner. We will continue to nurture these relationships while expanding to other organizations like Centro Hispano and Urban Triage. We have membership with the Home Buyer Round Table where we can share with other non-profits, City of Madison staff, Dane County staff, WHEDA area lenders and bankers. Many of our selection committee members have come from those relationships.

Habitat Dane utilizes these relationships in its everyday operations. For example, Habitat Dane offers a small discount to local financial institutions in return for cash that it can turnaround and use on current developments. The benefit of this process is that Habitat gets cash on hand to continue its mission-based work, and its homeowners still get to work with Habitat Dane on their mortgages, as the homeowner pays Habitat, and Habitat then pays the bank.

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

Habitat Dane knows that strength and success rely on people coming together to make a difference. It promotes racial equity and strives to increase diversity, inclusion, and cultural competency in all aspects of the organization. The diversity of human experience benefits all. Habitat Dane respects the individuality of each member of the community and is committed to an organization free of any kind of discrimination based on race, color, religion, sex, age, sexual orientation, gender identity and expression, disability, national or ethnic origin, politics, or veteran status. To that end, Habitat Dane is committed to increasing the diversity of our staff, board, volunteers, and partners, and to fostering an inclusiveness within our network.

Habitat Dane partners with a diverse population, with nearly 60% of clients being people of color. Habitat was a founding partner in the Non-profit Equity Coalition (NPEC), operates with two affirmative action plans, is subject to fair lending and fair housing laws, and the staff participate in continuing education in diversity and inclusion and are active in diversity and inclusion initiatives in several organizations throughout the community. A staff-led DEIB task force will further coordinate internal training and related issues for more impact.

Based on the Habitat principle of inclusivity, Habitat Dane will actively include people from all walks of life in our work and be intentional about developing a diverse network of partners. Habitat Dane embraces common humanity, working side by side building a community where everyone has a decent, affordable place to call home.

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.

Habitat Dane works hard to retain employees through employee engagement that begins with the hiring process. They are offered competitive salaries and incentives, such as good health benefits, vacation, and retirement. Habitat Dane encourages a culture of open communication by quarterly conversations throughout the year with all staff.

It has become a priority especially during the pandemic, to create a value of work/life balance, for this reason, Habitat Dane has also established short-term disability and a parental leave for its employees. By establishing these additional benefits, it is the hope that Habitat Dane can get its turnover rate back below 20%.

8. Indicate by number the following characteristics for your agency’s current staff and Board of Directors.

DESCRIPTOR	STAFF	BOARD
*These categories are identified in U.S. Department of Housing and Urban Development (HUD) Standards.		
<b>GENDER</b>		
Female	18	8
Male	19	6
Unknown/Other	3	
<b>TOTAL GENDER</b>	<b>40</b>	<b>14</b>
<b>AGE</b>		
Less than 18 years old	0	0
18-59 years	31	12
60 years and older	9	2
<b>TOTAL AGE</b>	<b>40</b>	<b>14</b>
<b>RACE*</b>		
White/Caucasian	22	12
Black/African American	1	1
Asian		1
American Indian/Alaskan Native		0
Native Hawaiian/Other Pacific Islander		0
<b>MULTI-RACIAL:</b>		
Black/AA & White/Caucasian	1	
Asian & White/Caucasian		
Am Indian/Alaskan Native & White/Caucasian		
Am Indian/Alaskan Native & Black/AA		
Balance/Other		
<b>TOTAL RACE</b>	<b>24</b>	<b>14</b>
<b>ETHNICITY</b>		
Hispanic or Latino	1	1
Not Hispanic or Latino		13
<b>TOTAL ETHNICITY</b>	<b>1</b>	<b>14</b>
<b>PERSONS WITH DISABILITIES</b>	Not Asked	Not Asked

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

- A completed Application Budget Workbook A – “Development”, showing the City’s proposed financial contribution and all other proposed financing.
- A current list of Board of Directors, with home addresses included for each board member.
- 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.

Contact Person	Company	Role in Development	Email	Phone
Steve Hanrahan	Habitat for Humanity of Dane County	COO/Point of Contact	shanrahan@habitatdane.org	608-255-1549 Ext 116
Valerie Renk	Habitat for Humanity of Dane County	CEO	vrenk@habitatdane.org	608-255-1549 Ext 103
Adam Helt-Baldwin	Habitat for Humanity of Dane County	Construction Manager	Ahelt-baldwin@habitatdane.org	608-255-1549 Ext 105

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.

Paul Sukenik, Community Services Director, works closely with city staff to administer the CDBG and HOME grants that have been awarded to Habitat in the past. He has a thorough knowledge of the program regulations, parameters, and reporting requirements.

Val Kudrna, Finance Director, enables and maintains the fiscal responsibility of Habitat Dane and its ReStore businesses. She is responsible for all aspects of accounting, loan processing and servicing, systematic portfolio management, financial record-keeping, and compliance reporting (audits, IRS, government filings, required and requested reports for key stakeholders). She will monitor all loans, working with staff, legal reps and financial coaches keep borrowers on track. Val works with SVA at the end of each fiscal year to run Habitat Dane’s audit process.

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.

On an annual basis, Habitat Dane posts its projects and specifications online and broadcasts availability to multiple contact lists. Included in these lists are the City of Madison’s four business directories (Small, Minority and Women-owned, Disadvantaged, Section 3). When Habitat Dane works with contractors who qualify for Targeted Business Enterprise programs that are not listed in the directories, we encourage them to apply to expand the reach of their businesses.

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



Habitat Dane has a long and mutually beneficial partnership with Operation Fresh Start that has only grown stronger in recent years. Their Legacy and Graduate crews regularly work on Habitat Dane jobsites alongside its staff, homeowners in-progress, and other community volunteers.

In the past few years, Habitat Dane has partnered with both the Sun Prairie High School and Madison College's Construction and Remodeling programs to expand training opportunities on Habitat Dane sites. Habitat Dane also work with the UW Madison Habitat Chapter, providing construction education opportunities on build sites. Beginning in late 2020, Habitat Dane began hosting AmeriCorps members as construction crew leaders. Habitat Dane has used its recruitment candidates from the above programs.

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.

Habitat Dane has completed 319 homes in Dane County since 1987. It has completed full entitlement and infrastructure development on five multi-unit neighborhoods since 2013, including Town Hall Crossing, the largest Habitat development in Wisconsin history.

Adam Helt-Baldwin serves as Habitat Dane's Construction Director, he has been with Habitat for Humanity for 21 years, with nine of them being with Habitat Dane.

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.

Our partner families enter our program approximately 18-24 months before their house is complete. During this time, the families must put in up to 425 sweat equity hours and complete our financial and homeowner training classes. We match the families to a specific address as soon as possible after approving them for a Habitat home based on what communities we are planning to build in and on property we currently own. Our plan will be to assign families to Owl Creek soon after completing the purchase.

The requirement to obtain occupancy within 12 months will not allow our families the necessary time to complete all their obligations nor time to build with our volunteer centric construction model. We would also like to build in Owl Creek in two phases, one to begin after closing and the next phase to begin in our next fiscal year with three houses in each phase. I understand that this is contrary to what you would like to see. Our history includes building over 300 homes and Owl Creek is an ideal location for Habitat families. I'm hoping you can make an exception for Habitat families.

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.

Applicants to the Habitat Dane Homebuyer Program begin their journey by attending a one-hour information meeting where Habitat Dane staff explains the expectations or what is required of the family if accepted, the details of what a family needs to be eligible, the timeline that a family can expect from application to home purchase and a review of the application itself. Families will have a two-week window from the last information cycle to turn in a completed application.

Applicants that meet eligibility requirements and are accepted to the program will be required to take a series of 10 classes designed to prepare them to be successful homeowners. Classes include an introduction course explaining the Habitat program and history, an explanation of sweat equity including the number of required hours and activities that will be performed, a detailed explanation on the finance layering used to make a home affordable and how that is calculated from their income. Other classes focus on how to be a good neighbor, how to maintain their home, how to maintain their yard, how to plan their estate, a pre-closing class on all the documents involved in the purchase and a course on being part of a homeowner's association or condo association if applicable. Families will also take a four-section course on Financial Capability where budgeting, use of credit, identify security and other topics are covered. Homebuyers will also complete a HUD Certified First Time Homebuyer course and complete a Pre-purchase counseling session.

In exchange for this effort – Habitat provides the family with an interest free loan which will represent a tremendous savings to the household and a much faster path to building equity in their home and generational wealth to share with their heirs. For example – today 8/24/22 a 30-year mortgage rate is 5.5%. On a \$189,000 first mortgage a borrower will pay over \$197,000 in interest over the life of that loan. Our Habitat buyers avoid that entire expense.

Habitat Dane has been supporting low-income families including the BIPOC community since its existence. We have a history of delivering meeting announcements throughout the area to community centers, libraries, convenience stores and cultural grocery stores to try to get the message out to all communities. We have readily provided interpretation needs for our meetings and at our last round of meetings provided information for Hmong, Spanish, French, Arabic, and Bengali.

## 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).

These lots were deemed part of a target area as cited by the city of Madison. Habitat Dane is already well established in this neighborhood. Habitat only builds affordable housing and is always looking ahead to help keep its homebuilding program strong for future families in the program, so this is a great match for what Habitat Dane does. Habitat Dane currently owns six lots in Owl Creek and would appreciate the opportunity to expand that neighborhood for additional Habitat Dane homeowners in progress.

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 Prior to Purchase	# of Units Post-Project	# Units Occupied at Time of Purchase	# Biz or Residential Tenants to be Displaced	# of Units Accessible Current?	Number of Units Post-Project Accessible?	Appraised Value Current (Or Estimated)	Appraised Value After Project Completion (Or Estimated)	Purchase Price
<b>Enter Address 1:</b> 2407 Dunns Marsh Terrace								
0	1	0	0	0	0		\$250,000	\$250,000
<b>Enter Address 2:</b> 2421 Dunns Marsh Terrace								
0	1	0	0	0	0		\$250,000	\$250,000
<b>Enter Address 3:</b> 4210 Owl Creek Dr/5141 Horned Owl Dr.								
0	2	0	0	0	0		\$500,000	\$500,000
<b>Enter Address 4:</b> 5166-72 Great Gray Dr.								
0	2	0	0	0	0		\$500,000	\$500,000
<b>Enter Address 5:</b> 5165-73 Great Gray Dr.								
0	2	0	0	0	0		\$500,000	\$500,000

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.

As stated in Habitat Dane’s answer to question six, the requirement to obtain occupancy within 12 months will not allow our families the necessary time to complete all their obligations nor time to build with our volunteer centric construction model. Based on that, Habitat Dane anticipates completion of two units by 2023-2024 fiscal year, and an additional two units by fiscal year 2024-2025. Habitat Dane estimates that occupancy for these units would not be until at least 2024/2025.

Activity/Benchmark	Estimated Month / Year of Completion
Acquisition/Real Estate Closing	12/2022
Rehab or New Construction Bid Publishing	1/2023
New Construction/Rehab Start	5/2023
Begin Sales/Marketing	3/2023
New Construction/Rehab Completion	5/2025
Complete Sales	6/2025
Request Final Draw of CDD Funds	N/A

**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.

N/A

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

Habitat Dane encourages neighbors to participate in the homebuilding process, and community groups, as well as neighbors are invited to attend any groundbreaking and home dedication activities. These activities give the neighborhood a chance to learn more about what Habitat does for the family and the surrounding community. They are also a great way to get to know your new neighbors.

**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.

Habitat Dane's qualifying homeowners have an income between 30 and 60 percent of Dane County's median income, with over 60 percent of Habitat Dane families being of color. Each family contributes 275-425 hours of sweat equity throughout the Habitat program. Sweat equity is earned mostly on the construction site and at the two Habitat ReStores, but also in the classroom, at events and in other forms.

Habitat Dane homeowners purchase their homes at market value. They pay an affordable monthly mortgage payment of 28% of their gross income. The mortgage payment includes principal, escrow funds to cover their property taxes, homeowner's insurance, and association dues, when applicable. Habitat Dane does not charge interest on the loans it originates. Any other funds needed to purchase the home are covered through deferred (silent) mortgages that are 0% or below market interest. This format is key to making homes affordable to families while allowing them to build equity and maintaining the value of the neighborhood.

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?

Habitat Dane hosts informational meetings for individuals or families interested in applying to the program. Individuals and families receive an application for the program at these meetings. The meetings are 60 minutes and are generally held in accessible locations, at least four times a year throughout the county. Due to COVID-19, in January 2022 informational meetings were held Virtually with 100 interested individuals attending. Interpretive services are available upon request.

Habitat Dane's outreach and marketing initiatives include:

- On the Habitat Dane website, [habitatdane.org](http://habitatdane.org), there is information on how families can apply to the program, eligibility requirements, an online eligibility questionnaire, and informational meeting times and locations. Individuals register for a meeting online and are sent confirmation of their registration.
- Meeting dates are posted on all Habitat Dane social media accounts for both Habitat for Humanity of Dane County

and Habitat ReStore of Dane County.

- Individuals who call about the program are informed when registration for the next informational session will open.
- An email is sent to all current families to ask them to tell their families and friends about the program.
- Habitat Dane receives several referrals from current homeowners.

Through homeownership, the Habitat model is proven to help families in underserved communities build wealth through equity in their homes, achieve and maintain stability and set new educational, business, and financial goals.

#### 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).

Habitat Dane has built homes certified by multiple programs in the past, including Energy Star, Wisconsin Green Built, and LEED Gold. Currently, every home is certified in Focus on Energy's New Homes program and incorporates building techniques and products that exceed industry standards including Advanced Framing/Optimal Value Engineering, advanced air-sealing and increased insulation, low-VOC paints, passive radon mitigation, low-flow plumbing fixtures, and Energy Star appliances.

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

N/A

# AGENCY, PROGRAM AND CITY SHARE EXPENSES

Agency & Program: Habitat for Humanity of Dane County: Habitat Housing for Homebuyers

ACCOUNT CATEGORY	City of Madison HOME	City of Madison HOME-PI	City of Madison GPR	City of Madison Other	Non-City Sources	Total Program Budget
<b>A. PERSONNEL</b>						
Salary	0				214,200	214,200
Taxes/Benefits	0				53,500	53,500
<b>Subtotal A.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>267,700</b>	<b>267,700</b>
<b>B. OTHER OPERATING</b>						
Insurance					9,200	9,200
Professional Fees					5,200	5,200
Audit					0	0
Postage/Office and Program Supplies					3,300	3,300
Equipment/Furnishings/Depreciation					15,800	15,800
Telephone					2,700	2,700
Training/Conferences					0	0
Food/Household Supplies					0	0
Auto Allowance/Travel					2,000	2,000
Vehicle Costs/Depreciation					3,500	3,500
Other (Specify): Marketing & Communications					500	500
Family & Volunteer Expenses					4,300	4,300
Dues & Miscellaneous					4,000	4,000
<b>Subtotal B.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>50,500</b>	<b>50,500</b>
<b>C. SPACE</b>						
Rent					6,000	6,000
Utilities					1,900	1,900
Maintenance					1,800	1,800
Mortgage Principal/Interest/Depreciation					5,800	5,800
Property Taxes					0	0
<b>Subtotal C.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15,500</b>	<b>15,500</b>
<b>D. SPECIAL COSTS</b>						
Rent Assistance (Rent Arrears, Security Deposit, Application Fee)					0	0
Utility Assistance					0	0
Assistance to Individuals (Down Payment Assistance)					0	0
Service/Program Subcontracts					0	0
Other (Specify): Loans to Homebuyers	160,000	0	0	0	424,300	584,300
Appraisal, Survey & Credit Reports	1,200				0	1,200
Title, Title Insurance & Recording Fees	10,800				0	10,800
Gift in Kind Labor					156,960	156,960
<b>Subtotal D.</b>	<b>172,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>581,260</b>	<b>753,260</b>
<b>TOTAL (A-D.)</b>	<b>172,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>914,960</b>	<b>1,086,960</b>

NOTES:

STAFFING: include ALL staff working for the program			
Staff Position Title	Total Program FTE	City-Funded FTE	Roles and Responsibilities
Construction Director	100%	0%	Responsible for supervision of all construction staff and build sites.
Construction Project Manager	100%	0%	Day to day responsibility for Contractor scheduling and site expedition
Sr. Site Supervisor	100%	0%	Work day schedule and directing work of on site volunteers
Site Supervisor (3)	100%	0%	Work day schedule and directing work of on site volunteers
Warehouse Coordinator	50%	0%	Stacking of construction supplies and filling site orders
Construction Volunteer Service	100%	0%	Coordinating and scheduling individual and group volunteers for build sites
Community Services Director	100%	0%	Recruit and educate homebuyers and prepare documents for closing on homes
Family Education Coordinator	100%	0%	Coordinate classes for homebuyers in the program and educate homebuyers
CEO	25%	0%	Oversite of the entire organization and liaison to the board of directors
COO	60%	0%	Oversite of operation of Construction, Community Service and Land Development
Marketing Director	50%	0%	Ensure affirmative marketing for organization
Finance Director	35%	0%	Directs the accounting, financial, internal control, and risk management activities.
Program Manager	15%	0%	Assists in staff recruitment and support fund raising efforts
Loan Services Specialist	25%	0%	Serves Homeowner mortgages.
Accounting Clerk	15%	0%	Records the daily accounting transactions including banking, AP, sales & cash receipts.

# Habitat for Humanity of Dane County

## Home Building Program

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

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### 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. The proposal for the Owl Creek lots states a sale price of \$500,000 and proposes two units per lot. Clarify the following:
  - a. Proposed sale price per unit **The proposed sale price per unit is \$250,000 which is based on our average home sale prices in 2022 year to date. Final sale price is the Fair Market Value as determined by an independent third-party appraiser when the home is complete so that number may change.**
  - b. Number of estimated bedrooms and bathrooms per home? **Since the families for the homes will be selected after the property is acquired the number of bedrooms and bathrooms are determined by the size of the family. Habitat finishes space depending on family size and remaining space can be finished by the families if their family size grows in the future. So, they will be a minimum of two bedrooms and one bathroom to a maximum of four bedrooms and two bathrooms.**

#### Innovation and Neighborhood Stability

1. 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 Habitat perform targeted outreach activities in Owl Creek to notify current renters in the area of homeownership opportunities available through Habitat? **Yes – Habitat will mail information or post door hangers in the community to alert renters in the area of the upcoming information meetings if awarded the lots.**