

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

APPLICANT INFORMATION

Proposal Title:	Lease-Purchase and New Construction				
Amount of Funds Requested:	\$600,00.00		Amount Requested Per Unit:	\$150,000.00	
Type of Construction:	<input checked="" type="checkbox"/> New Construction (NC) <input type="checkbox"/> Acquisition/Rehabilitation <input type="checkbox"/> NC Owl Creek <input type="checkbox"/> NC Mosaic Ridge				
Type of Project:	<input type="checkbox"/> Single/Multi-Family Homeownership <input checked="" type="checkbox"/> Lease-Purchase <input type="checkbox"/> Condominium <input type="checkbox"/> Cohousing				
Total Number of Units:	4	Number of Affordable Units <80% CMI:	4	Number of Affordable Units <50% CMI:	
Name of Applicant:	Common Wealth Development Inc				
Mailing Address:	1501 Williamson Street, Madison WI 53703				
Telephone:	608-256-3527		Fax:	608-256-4499	
Project / Program Contact:	Ashley Gohlke		Email:	ashley@cwd.org	
Financial Contact:	Stefan Davidson		Email:	stefan@cwd.org	
Website:	www.cwd.org				
Legal Status:	<input type="checkbox"/> ACRE Graduate <input type="checkbox"/> Non-Profit <input checked="" type="checkbox"/> Non-Profit (CHDO)				
Federal EIN:	39-1323500		SAM/UEI #	030460778	
Registered on SAM:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				
Community Housing Development Organization:	<input checked="" type="checkbox"/> Yes <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

Name: Justice Castaneda 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 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.

LEASE TO PURCHASE: We propose is to increase the number of affordable home ownership opportunities for low to moderate-income families throughout the city of Madison. Our intention is to acquire 3 single family 2-4 bedroom homes in the range of \$180,000-280,000 each home, with an allocation from the Affordable Housing Fund of \$150,000 per home we hope to be able to update each home to be energy efficient, safe and healthy spaces that will become a part of Common Wealth's Lease/Purchase Program. We intend to lease these homes for up to 36 months during which time we work with the families to prepare them in obtaining a mortgage as well as how to properly care for a home through a number of financial management skill building and home care trainings. The funding from this program will allow us to fund the acquisition, rehab as well as provide a zero payment 2nd mortgage to the families that would maintain the affordability of the home for the family keeping a the monthly payments at 30% of the household income.

NEW CONSTRUCTION: Common Wealth acquired 1605 Freemont Ave, Madison WI in early 2022, we intend to demo the current structure and construct two new single family 4-bedroom 2-bathroom homes on the site. We are asking for an allocation of \$150,000.00 to go toward the construction costs of one of the two homes, once constructed both homes will become part of Common Wealth's Lease to Purchase program and which targets low to moderate-income first-time homebuyers and provides safe, stable, energy efficient and affordable homeownership opportunities to aspiring 1st time homebuyers.

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.

- 1: Common Wealth Development has a successful 43-year track record of neighborhood revitalization and has completed many innovative programs and initiatives that have improved our community through development of commercial space and quality, affordable, and accessible housing, and homeownership opportunities in the Marquette and Meadowood neighborhoods
- 2: Common Wealth's current interest list for the lease to purchase program sits at about 58 people, 15 of which are current residents, mainly single mothers residing in our properties currently. Our intention with this program is to increase number of affordable homeownership options for our residents and supporting population who aspire to become first time homeowners, mainly single parent, and under-represented households.

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).

Common Wealth Development has a working relationship with a number of local community banks and have partnered with them over the last few years to borrow funds for real estate acquisitions. With the proposed per unit allocations for acquisition and new construction, the remaining financing would be secured through debt financing with these community lenders.

CWD has successfully administered a lease to purchase program for over two decades and continues to seek opportunities to increase the number of homes in the program to provide homeownership opportunities to the community we serve.

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

Ashley Gohlke, Director of Development Operations, Common Wealth Development: Ashley has over 10 years of housing management experience including affirmative marketing, outreach, tenant relations and HOME/WHEDA Tax Credit compliance. Ashley is in charge of compliance for all 159 units of Common Wealth Development housing with LIHTCs, the Affordable Home Program through the Federal Home Loan Bank of Chicago, and Property Tax Exemption guidelines. She has extensive knowledge of managing properties within the guidelines of multiple compliance layering. Common Wealth Development is regularly audited, has never had a reportable finding, has an excellent reputation and is highly regarded by our funding agencies.

Conner Wild, Housing Operations Manager, Common Wealth Development:

Conner Wild has a BA in History with certificates in American Indian Studies and German Language. From 2014-2016, he oversaw the expansion and operations of Bethel Homeless Support Services, a drop-in day center for individuals experiencing homelessness. In 2016, he was acting supervisor of clinical operations at Rethke Terrace, Madison's first housing first complex, and directed the move-in of 60 residents and development of comprehensive onsite services. From 2017-2019, he worked as a behavioral health case manager with UW-Health's Adolescent Intervention Program where he earned his substance abuse counselor credentials. Over the past two years, Conner has had the distinct honor of having served on the Board of

Directors for the Dane County Homeless Services Consortium as well as the Wisconsin Housing First Coalition. At the beginning of 2020, he transitioned to his current position with Common Wealth development as a Housing Specialist.

Stefan Davidson, Finance Director, Common Wealth Development: Stefan has 18 years of experience in accounting and finance, working in public accounting as both an auditor and tax preparer and since 2010 in the financial management of not-for-profit housing organizations. As the Controller for Compass Housing Alliance (CHA) in Seattle, Washington, Stefan was responsible for the financial reporting and compliance of a portfolio of six housing projects. The projects were financed through a combination of federal and local grants and tax credit equity investments. Stefan was responsible for the financial management and reporting of two of the projects during their construction and lease-up phases. CHA also provided supportive services to all of the residents, along with day services to community residents that wanted them. These functions were all financed in part through federal and local grants and required fiscal compliance and periodic reporting and monitoring to maintain the funds. Stefan started as the Finance Director at Common Wealth Development in January of 2016, and has been responsible for the financial management of the organization, which includes funding from local and federal pass-through grants and the Yahara River View Apartments Partnership.

Justice Castañeda, Executive Director, Common Wealth Development: Justice has over two decades of strategic planning and project implementation experience around residential and commercial development that he brings to this project. He also brings extensive experience working with comprehensive community development projects, integrating housing initiatives, economic development, mental health and wellness and educational opportunities for long-term community-level health improvement. An 8-year Marine veteran, Justice serves as a subject-matter-expert in both veterans' transition and housing, and comprehensive community development in extremely low-income areas, as well as in housing policy and development policy, generally. Justice was trained in real estate development through the Massachusetts Institute of Technology's Department of Urban Studies and Planning. Through over a decade of research and public service, Mr. Castañeda is uniquely versed in the challenges facing Madison in terms of housing, economic and educational disparities experienced by our populations of color. Justice brings this knowledge to Common Wealth Development and approaches this project not solely as a housing project, but as an opportunity to support lasting community and economic development in Madison and Dane County.

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.

Common Wealth Development is an equal opportunity employer and is committed to a policy of equal opportunity for all employees and applicants, and a work and living environment in which everyone is treated with respect and dignity. It is our policy to be inclusive, seek and employ the most diverse and qualified personnel in all staff and Board of Directors positions, to provide equal opportunity for advancement to all employees, including with regard to recruitment, hiring, compensation, benefits, promotion, training, discipline and termination, and to administer these activities in a manner that will not discriminate against or give preference to any person because of race, color, religion, age, sex, gender, gender identity and

expression, national origin, disability, ancestry, sexual orientation, marital status, or arrest or conviction record, or any other discriminatory basis prohibited by applicable local, state and federal law. Common Wealth Development seeks to increase housing stability for low- to moderate-income individuals and families. Our community is defined by social geography elucidated through initial work focused on efforts in neighborhoods that are significantly disenfranchised from the overall health and economic vitality of the city of Madison due to historic processes and peripheralization. The work that we as an organization do, is done using a people-first approach centered on racial equity and community level health improvement. Additionally, we work with a number of other organizations to support other rapid rehousing efforts and referrals of families and individuals who have or are currently experiencing homelessness

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.

Common Wealth Development is actively involved in numerous networks, coalitions and collaborations involving housing and homeownership. Our Executive Director has chaired the 3rd Sector housing group since 2019, and we have worked with numerous 3rd Sector partners on different housing endeavors.

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

In 2017 Common Wealth installed a Racial Justice & Health Equity Framework, which forced an examination of all internal controls, organizational policies and procedures, with a deliberate focus on racial justice and racial equity in all of our work. In 2017 we had 3 non-white people on staff, today we are over 54% BIPOC. All our hiring, promotion and retention policies were created under the RJHE framework, with the same deliberate focus on leveraging the asset of a diverse and inclusive workforce.

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.

There was not any unusual staff turnover in 2021.

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.		
GENDER		
Female	13	5
Male	11	4
Unknown/Other		
TOTAL GENDER	24	9
AGE		
Less than 18 years old		
18-59 years	23	9

60 years and older	1	
TOTAL AGE	24	
RACE*		
White/Caucasian	11	7
Black/African American	5	1
Asian	4	
American Indian/Alaskan Native		
Native Hawaiian/Other Pacific Islander		
MULTI-RACIAL:		
Black/AA & White/Caucasian		
Asian & White/Caucasian		
Am Indian/Alaskan Native & White/Caucasian		
Am Indian/Alaskan Native & Black/AA		
Balance/Other	4	1
TOTAL RACE	24	9
ETHNICITY		
Hispanic or Latino	4	1
Not Hispanic or Latino	20	8
TOTAL ETHNICITY	24	9
PERSONS WITH DISABILITIES	1	1

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. CHECK (Box would not work)
- ☒ A current list of Board of Directors, with home addresses included for each board member. CHECK (Box would not work)
- ☐ 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

- 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
Justice Castañeda	Common Wealth Dev.	Main Point of Contact	justice@cwd.org	608-620-7745
Ashley Gohlke	Common Wealth Dev.	Development Director	ashley@cwd.org	608-620-7856
Stefan Davidson	Common Wealth Dev.	Finance Director	stefan@cwd.org	608-620-7842
Lauren Lofton	Bardston	Attorney	llofton@bardston.com	608-213-0535
Roger Smith	Design Coalition	Architect	roger@designcoalition.org	608-246-8846

- 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.

Common Wealth's development team which is comprised of Justice Castañeda , Stefan Davidson and Ashley Gohlke will be monitoring compliance internally, the development team has 10 plus years of experience in the compliance and monitoring for Federal funds in regard to affordable housing and the organization itself holds 43 years of experience with zero major findings. As a non-profit we take part in several annual organizational and program audits to ensure compliance with all funding sources.

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.

2021 the current development team completed an 11-unit HOME funding apartment complex (The Alliance) where M/WBE requirements and/or attempts the meet requirements were met as per our contracts. Similar compliance standards we met during the re-roofing of Main Street Industries.

As an organization it is standard procedure Common Wealth always seeks out Minority and Women Owned Businesses as the first step in any project bidding process. We work with local chambers such as the Madison Black Chamber, Latino Chamber of Commerce, and the LGBT Chamber to source new vendor/contractor relationships.

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

Common Wealth understands and abides by Section 3 Programing when necessary and as it pertains to any new development projects. Common Wealth often partners with Operation Fresh Start to complete small to mid-scale construction and rehab projects which allows for us to maintain affordability in construction and rehab costs while supporting job training 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.

The current development team at Common Wealth has been working together for 5 years, in that time the team has completed an 11-Unit HOME funded apartment complex in the Meadowood neighborhood in 2021, purchased a 2-unit duplex from the City of Madison Housing Authority utilizing restricted funds at the beginning of 2022 and is in the process of rehabbing two single family homes that were purchased with City of Madison Affordable Housings funds in May of 2022, which will be added to our current Lease Purchase program.

We remain in compliance with all completed projects.

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.

Common Wealth currently owns and manages 159 Low-Income units throughout the city of Madison, 90% of these funded by either HOME or WHEDA. Common Wealth has a 30 plus year experience with these programs, has remained in compliance

with these programs since enrollment. Common Wealth's property maintenance standards far surpass the industry standards as our primary goal is to continuously provide safe, stable, and healthy housing for all of our residents.

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?

Common Wealth's Lease-Purchase program began in 1998 and is currently comprised of 18 homes, 3 of which were just added to the program in 2022. Common Wealth has a waitlist of 58 people who are notified of affordable homeownership opportunities as they come available. Applications are processed on a first come, first served basis. Common Wealth will prioritize household size to support families accurately if and when necessary. Common Wealth offers a lease term of up to 36 months during which time we work with the families to prepare them in obtaining a mortgage by connecting them with financial institutions that are familiar with the program and/or have worked with program participants in the past. Common Wealth will also provide training sessions that will educate the household in the general preventive maintenance of the home.

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.

Common Wealth offers a lease term of up to 36 months during which time we work with the families to prepare them in obtaining a mortgage by connecting them with financial institutions that are familiar with the program and/or have worked with program participants in the past. Common Wealth will also provide training sessions that will educate the household in the general preventive maintenance of the home.

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).

Lease to Purchase: Common Wealth has not identified a site for this allocation however we intend to search citywide with an emphasis on homeownership opportunities in neighborhoods that we currently serve (Meadowood & Marquette) as well as areas of the city we see our work in the future, North Side, Sherman Ave.

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
Enter Address 1 1605 Fremont Ave, Madison WI 53704 (new construction site)								
1	2	0	0	0	1	145,000		145,000
Enter Address 2								
Enter Address 3								

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.

Activity/Benchmark	Estimated Month / Year of Completion	
	Lease Purchase/ New Construction	
Acquisition/Real Estate Closing	03/2023	
Rehab or New Construction Bid Publishing	06/2023	10/2022
New Construction/Rehab Start	08/2023	12/2022
Begin Sales/Marketing	08/2023	08/2023
New Construction/Rehab Completion	10/2023	05/2023
Complete Sales	12/2023	12/2023
Request Final Draw of CDD Funds	12/2023	12/2023

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.

Common Wealth aspires to identify Lease to Purchase options in the current communities and neighborhoods that we currently serve and have strong working relationship with elected city officials and neighborhood associations. We have also been deliberate in engaging alderpersons and neighborhood associations in the proposed new construction location to ensure that we are meeting the needs of their respective constituents.

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

It is standard practice for Common Wealth to communicate any available housing opportunities to our local community partners such as Community Action Coalition, Salvation Army, Urban League, Tenant Resource Center, UNIDOS, YWCA, The Road Home and Tellurian so reach a greater scope of families in need.

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 target population for the proposed funding is 1st time homeowners whose gross annual income is at or below 80% of County Median Income. As part of Common Wealth's mission, we strive to provide affordable homeownership opportunities for low-moderate income persons and families.

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?

Common Wealth sends Availability notices to a list of local organizations and service providers representing and aiding minority and low-income populations. These organizations include but are not limited to; Community Action Coalition, Salvation Army, Urban League, Tenant Resource Center, UNIDOS, YWCA, The Road Home and Tellurian. An interest list will be maintained, all interested persons, including current Common Wealth residents will be contacted when a unit matching their location, and family size description is available. Vacancy notices are emailed to current waitlist persons and other interested parties. Communicating with other local agencies will allow us to expand our reach to persons experiencing barriers to housing and house families appropriately to fit family size, location and income needs.

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).

Common Wealth Development actively works with the City of Madison, Elevate Energy and Sustain Dane to maximize energy efficiency in all our projects, rental and homeownership. Cost permitting, we plan on maximizing all / any energy efficiency options available to us for all of these projects.

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

APPLICANT & PROJECT NAME: **Common Wealth Development (New Construction)**

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
A. PERSONNEL			
Salary (including benefits)	1,297,136	1,375,810	1,495,736
Taxes	75,509	90,024	95,304
Subtotal A	1,372,645	1,465,834	1,591,040
B. OPERATING			
All "Operating" Costs	402,740	455,654	412,040
Subtotal B	402,740	455,654	412,040
C. SPACE			
Rent/Utilities/Maintenance	906,210	1,023,326	919,794
Mortgage/Depreciation/Taxes	848,930	931,027	1,029,524
Subtotal C	1,755,140	1,954,353	1,949,318
D. SPECIAL COSTS			
Subcontracts			
Deposits to Reserves			
Debt Service (Excl Mortgage)		-	
Other: (Specify)			
Subtotal D	-	-	-
Total Operating Expenses:	3,530,525	3,875,841	3,952,398
REVENUE			
Direct Public Grants	592,284	643,547	745,500
Direct Public Support	427,703	658,204	466,617
Indirect Public Support			
Miscellaneous Revenue	105,622	457,175	123,500
Restricted Funds Released			
Program Income	2,106,814	2,245,990	2,410,808
Total Income	3,232,423	4,004,916	3,746,425
Net Income	(298,102)	129,075	(205,973)

APPLICANT & PROJECT NAME:

Common Wealth Development (New Construction)

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:						
Monona Bank	\$ 183,393	N	5.75%	5	25	\$13,845
Subordinate Loan-Lender Name:						
Subordinate Loan-Lender Name:						
Tax Exempt Loan-Bond Issuer:						
AHP Loan						
City-AHF Loan	\$ 135,000					
City-HOME Loan						
City-CDBG Loan						
City-TIF Loan						
Other-Specify Lender/Grantor:						
Other-Specify Lender/Grantor:						
Other-Specify Lender/Grantor:						
Historic Tax Credit Equity						
Deferred Developer Fees	\$ 15,000					
Owner Investment						
Other-Specify:						
Total Sources	\$ 333,393					

Construction Financing			
Source of Funds	Amount	Rate	Term (Months)
Construction Loan-Lender Name:			
Monona Bank	\$ 183,393	5.75%	60
Bridge Loan-Lender Name:			
Historic Tax Credit Equity:			
Total	\$ 183,393		

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:

Construction loan and permanent financing would be the same loan to reduce loan fees.

APPLICANT:

Common Wealth Development (New Construction)

3. PROJECT EXPENSES

Enter the proposed project expenses

Acquisition Costs

Amount

Land	\$72,500
Existing Buildings/Improvements	\$0
Other (List)	
	\$0

Construction:

Construction/Rehab Costs	\$210,000
Construction Profit	\$0
Construction Overhead	\$0
General Requirements	\$0
Construction Supervision	\$10,500
FF&E/Personal Property	\$0
Demolition	\$7,750
Site Work	\$0
Landscaping	\$5,000
Letter of Credit/P&P Bond	\$0
Construction Contingency	\$0
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	\$1,500
Architect - Supervision	\$0
Engineering	\$0
Other (List)	
	\$0

Interim/Construction Costs

Builder's Risk/Property Insurance	\$800
Construction Loan Interest	\$5,499
Construction Loan Origination Fee	\$0
Real Estate Taxes	\$794
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	\$200
Market Study	\$0

Environmental Reports	\$0
Survey	\$2,350
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	\$0
Other (List)	
	\$0
Fees:	
Bridge Loan Fees	\$0
Organizational Fees	\$0
Syndication Fees	\$0
Total Development Fee	\$15,000
Developer Overhead	\$0
Other Consultant Fees	\$0
Other (List)	
	\$0
Reserves Funded from Capital:	
Lease-Up Reserve	\$0
Operating Reserve	\$0
Replacement Reserve	\$0
Capital Needs Reserve	\$0
Debt Service Reserve	\$0
Escrows	\$0
Other: (List)	
	\$0
TOTAL COSTS:	\$333,393

APPLICANT & PROJECT NAME: **Common Wealth Development (Lease Purchase)**

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
A. PERSONNEL			
Salary (including benefits)	1,297,136	1,375,810	1,495,736
Taxes	75,509	90,024	95,304
Subtotal A	1,372,645	1,465,834	1,591,040
B. OPERATING			
All "Operating" Costs	402,740	455,654	412,040
Subtotal B	402,740	455,654	412,040
C. SPACE			
Rent/Utilities/Maintenance	906,210	1,023,326	919,794
Mortgage/Depreciation/Taxes	848,930	931,027	1,029,524
Subtotal C	1,755,140	1,954,353	1,949,318
D. SPECIAL COSTS			
Subcontracts			
Deposits to Reserves			
Debt Service (Excl Mortgage)		-	
Other: (Specify)			
Subtotal D	-	-	-
Total Operating Expenses:	3,530,525	3,875,841	3,952,398
REVENUE			
Direct Public Grants	592,284	643,547	745,500
Direct Public Support	427,703	658,204	466,617
Indirect Public Support			
Miscellaneous Revenue	105,622	457,175	123,500
Restricted Funds Released			
Program Income	2,106,814	2,245,990	2,410,808
Total Income	3,232,423	4,004,916	3,746,425
Net Income	(298,102)	129,075	(205,973)

APPLICANT & PROJECT NAME:

Common Wealth Development (Lease Purchase)

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:						
Monona Bank	\$ 671,900	Y	5.75%	5	25	\$50,724
Subordinate Loan-Lender Name:						
Subordinate Loan-Lender Name:						
Tax Exempt Loan-Bond Issuer:						
AHP Loan						
City-AHF Loan	\$ 405,000					
City-HOME Loan						
City-CDBG Loan						
City-TIF Loan						
Other-Specify Lender/Grantor:						
Other-Specify Lender/Grantor:						
Other-Specify Lender/Grantor:						
Historic Tax Credit Equity						
Deferred Developer Fees	\$ 45,000					
Owner Investment						
Other-Specify:						
Total Sources	\$ 1,121,900					

Construction Financing			
Source of Funds	Amount	Rate	Term (Months)
Construction Loan-Lender Name:			
Bridge Loan-Lender Name:			
Historic Tax Credit Equity:			
Total	\$ -		

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:

Common Wealth Development (Lease Purchase)

3. PROJECT EXPENSES

Enter the proposed project expenses

Acquisition Costs

Amount

Land	\$180,000
Existing Buildings/Improvements	\$720,000
Other (List)	
	\$0

Construction:

Construction/Rehab Costs	\$150,000
Construction Profit	\$0
Construction Overhead	\$0
General Requirements	\$0
Construction Supervision	\$0
FF&E/Personal Property	\$0
Demolition	\$0
Site Work	\$0
Landscaping	\$0
Letter of Credit/P&P Bond	\$0
Construction Contingency	\$0
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	\$0
Architect - Supervision	\$0
Engineering	\$0
Other (List)	
	\$0

Interim/Construction Costs

Builder's Risk/Property Insurance	\$1,200
Construction Loan Interest	\$0
Construction Loan Origination Fee	\$0
Real Estate Taxes	\$3,000
Park Impact Fees	\$0
Other Impact Fees	\$0
Other (List)	
	\$0

Financing Fees

Cost of Bond Issuance	\$0
Permanent Loan Origination Fee	\$1,600
Credit Enhancement	\$0
Other Permanent Loan Fees	\$0

Soft Costs

Appraisal	\$1,200
Market Study	\$0

Environmental Reports	\$0
Survey	\$0
Permits	\$0
Lease-Up Period Marketing	\$0
Accounting/Cost Certification	\$0
Title Insurance and Recording	\$900
Relocation	\$0
FF&E	\$0
Capital Needs Assessment (if rehab)	\$0
Legal	\$1,500
Other (List)	
	\$0
Fees:	
Bridge Loan Fees	\$0
Organizational Fees	\$0
Syndication Fees	\$0
Total Development Fee	\$45,000
Developer Overhead	\$0
Other Consultant Fees	\$0
Other (List)	
	\$0
Reserves Funded from Capital:	
Lease-Up Reserve	\$17,500
Operating Reserve	\$0
Replacement Reserve	\$0
Capital Needs Reserve	\$0
Debt Service Reserve	\$0
Escrows	\$0
Other: (List)	
	\$0
TOTAL COSTS:	\$1,121,900

Common Wealth Development, Inc.
New Construction &
Lease-Purchase

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. Please cc: cddapplications@cityofmadison.com

QUESTIONS

Applicant Capacity, Experience, and Qualifications

1. In the proposal, Common Wealth Development (CWD) indicates that during the 36-month leasing period, CWD provides connections between families and financial institutions as well as training sessions to educate the household on general preventative maintenance.
 - a. Provide a list of financial institutions that are part of this collaboration.
 - i. We would connect our program participants to the following financial institutions, these institutions have worked with similar programs in the past and pride themselves on assisting first time homebuyers.
 1. Old National Bank
 2. Summit Credit Union
 3. UW Credit Union
 - b. How frequently are maintenance training sessions provided to households and who is providing the training?
 - i. Our Current model would be to conduct the trainings one on one with individual families, we would do them seasonally as PM does change as the seasons change. We would also encourage and work with our future homeowners to attend PM maintenance trainings that are put on by Project Home.

Feasibility and Budget

1. For the new construction project timetable, there is a period of 3 months between construction completion and marketing of the property. Explain the reason(s) for allocating 3 months between construction completion and marketing.
 - a. This may take less time, however we want to give ourselves enough time to make sure the construction is finished, work out any unknown issues in the home after

construction and before the new family moves in as well as provide enough time to process applications and work with families to move in.

2. You indicated that you would like to receive City of Madison Affordable Housing Funds. Is CWD willing to accept HOME funds?
 - a. NO, HOME funds would allow CWD fund any project gaps however it is unknown how HOME funds would benefit or hinder the homeowner when they attempt obtain a 1st mortgage.

Innovation and Neighborhood Stability

1. In the proposal, CWD indicates a prioritization of households based on household size in order to best accommodate families with the homes available.
 - a. Does CWD provide advance notice to existing CWD residents or households on the waitlist that best match available home?
 - i. Yes, CWD keeps a rolling interest list for the LP program that is comprised of Current CWD residents and community members. We send out communications to our interested residents when homes are available and try our best to match household size. For example, if we had a 2-bedroom home become available we wouldn't want to reach out to a family of 5-6 because even though it is a homeownership opportunity, the home might not be the best fit size wise. However, if the family is interested in a smaller home would not refrain from allow them to see it and make their best judgement.
2. How does CWD continue engagement and prepare individuals on the waitlist (58 based on application information and of which 15 are current CWD residents) for purchasing a home either through CWD or in the private market?
 - a. Does CWD offer orientation sessions for interested households?
 - i. Not currently. CWDs Lease to Purchase program has not had active turnover in a way that would create a need for regular orientations, however since we have decided to breathe new life into the program and attempt to acquire more units for the program, it is something that we have put thought into to educate going forward.