

**2011 STAFF REVIEW OF PROPOSALS FOR
COMMUNITY/NEIGHBORHOOD DEVELOPMENT RESERVE FUNDS**

(Housing Development funds, Affordable Housing Trust Funds, Facility Acquisition/Rehab Funds, Future Funds)

1. **Project Name/Title:** Winnebago Lofts Rental
2. **Agency Name:** Movin Out, Inc.
3. **Requested Amount:** \$470,000
4. **Project Type:** ☒ New Project or Continuing Project
5. **Framework Plan Objective Most Directly Addressed by Proposed Activity:**

D: Rental Housing: Expand the number of affordable rental units and/or improve the quality and/or diversity of units available to lower income individuals throughout the community.

6. Product/Service Description:

Movin' Out provides affordable, long-term rental housing and homeownership assistance for low-income households with at least one member who has a permanent disability.

Movin' Out will develop a newly constructed 60-unit multifamily housing project at 2100 Winnebago Street. The housing will be a mixed-income tax credit project with 56 units reserved for households with incomes below 60% of median (8 units reserved for HH at 30%, 15 at 40%, 18 at 50% and 15 at 60% CMI) and 4 market rate units. There will be a combination of 1, 2 and 3 bedroom units plus multiple community spaces. The project is designed to meet the workforce housing needs for the surrounding area by supporting live-work arrangements including allowing tenants access to the business office and designing units that can be used as home offices. Through affirmative marketing, Movin' Out will make extra efforts to include households that include at least one member with a permanent disability. The project will also be designed to exceed all accessibility and energy requirements and provide affordable access to high-speed internet. The project will meet Wisconsin Green Built or LEED building energy efficiency standards, including all new energy star appliances.

7. Anticipated Accomplishments (Numbers/Type/Outcome)

MOI will provide long term, affordable HOME assisted rental housing for up to 11 households with a member with a permanent disability.

8. Staff Review

Movin' Out, Inc. requests \$470,000 in HOME funds to construct 11 units of rental housing. The City awarded \$180,000 in HOME funds in 2011 for MOI to develop long term rental opportunities for people with disabilities. MOI also has a balance of \$6,241 from their 2008 HOME Rental Contract which could be used for this project. In combination with \$283,759 in additional HOME Match funds, MOI would have sufficient funds for this project.

The proposed project is consistent with the housing goals in the Schenk-Atwood-Starkweather-Worthington Park Neighborhood Plan (2000) which encourages development to "ensure the availability of quality, affordable, owner- and renter-occupied housing for low-moderate income households, seniors, and people with disabilities that is scattered throughout the neighborhood." Also, the Schenk-Atwood Neighborhood Business District Master Plan (2000) specifically articulates the need at this site for "redevelopment for artist studios, art related retail, professional offices and housing". These neighborhood plans were adopted as part of the City Comprehensive Plan.

The applicant notes that with the rental market steadily tightening during the past two years, there is a clear demand in the City of Madison for affordable workforce housing as well as housing for people with

disabilities. Also, with the neighborhood at 37.7% rental occupancy in 2010, this project would be located in an area which has a lower concentration of rental housing than the city (47.6%). Similarly, with only 34 assisted units in this neighborhood in 2010 (1.1%), this project would be located in an area which has a lower concentration of assisted housing than the city (5.9%).

Total Cost/Total Beneficiaries Equals: $\$13,134,447/60 = \$218,907$
CD Office Funds/CD Eligible Beneficiaries Equals: $\$470,000/11 = \$42,727$
CD Office Funds as Percentage of Total Budget: 3.5% TOTAL

9. Staff Recommendation:

Provide \$283,759 in HOME Match funds towards the acquisition of land on which to construct at least 11 units of affordable rental housing under the terms adopted in the 2011-2012 Community Development Program Goals and Priorities. These funds would be contingent upon receiving a market study demonstrating site appropriateness, environmental review and clearance, zoning and other relevant City commission approvals, and the Low Income Housing Tax Credit allocation.

Technical and Regulatory Issues	Project information
Within unit, capital, mortgage limits	Yes
Within Subsidy layering limits/ analysis	Yes
Environmental Review issues	TBD
Eligible project	Yes
Conflict of interest	No
Church/State issues	No
Accessibility of program	Yes
Accessibility of structure	Yes
Lead-based paint issues	No
Relocation/displacement	No
Zoning restrictions	TBD
Fair Labor Standards	No
Vulnerable populations	Yes
Matching Requirement	Yes
Period of Affordability for HOME funds	20 years
Site and neighborhood Standards	OK
Supplanting issues	No
Living wage applies	Yes
MBE goal	No
Aldermanic/neighborhood communication	Yes, strong Aldermanic support. Neighborhood TBD
Management issues:	No