

# Application for Neighborhood and Community Development Funds

Applications should be submitted electronically to the CDD by 12:00 p.m. on the first Friday of the month and will be reviewed by the CDBG Committee on the first Thursday of the following month.

Program Title:	Winnebago Lofts	Amount Requested:	\$ 470,000
Agency:	Movin' Out, Inc.	Tax ID/EIN/FEIN:	39-1833482
Address:	600 Williamson Street, Madison, WI.	DUNS #:	019470348
Contact Person:	David Porterfield	Telephone:	(608) 251-4446 x 8
Email:	dp@movin-out.org	Fax:	(608)819-0623

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

The project involves developing a newly constructed 60 unit multifamily housing project on approximately 2 acres of land located at 2100 Winnebago Street. The housing will be a mixed income 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 community space (meeting rooms, resident business offices, leasing office, storage, underground and surface parking and green space). The project is designed to meet the workforce housing needs for the surrounding area. Through affirmative fair marketing Movin' Out will be making extra efforts to include households that include someone with a permanent disability as part of the tenant mix. An emphasis will be placed on providing a living environment that supports live-work arrangements by including the business office for tenants and designing units that can house home offices. The project will also provide affordable access to high-speed internet as well. It will be designed to be highly energy efficient and to meet Wisconsin Greenbuilt or LEED building standards. All units will include all new energy star appliances.

The project is being developed as part of a mixed-use redevelopment project which includes an adjacent new commercial building which is separately financed (not part of this application). This building will provide office and studio space for nonprofit organizations including the possibility of housing artists' studio space, childcare and administrative offices for other nonprofits including Movin' Out. These two projects will be designed and function together by providing affordable housing, economic development and jobs all intended to enhance the neighborhood.

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

The project is designed to meet housing needs of working families in the area and to provide affordable and accessible housing options for people with permanent disabilities. Through affirmative fair marketing Movin' Out will be making extra efforts to include households that include someone with a permanent disability as part of the tenant mix. The design of the project is intended to be appealing and functional for Madison's "creative class".

\_\_\_\_\_120\_\_\_\_\_ # unduplicated individuals estimated to be served by this project.

\_\_\_\_\_60\_\_\_\_\_ # unduplicated households estimated to be served by this project.

3. Program Objectives: The 5-Year Plan lists 9 project objectives (A through N). Circle the one most applicable to your proposal and describe how this project addresses that objective.

- |   |                                |
|---|--------------------------------|
| A. Housing – Existing Owner-Occupied      | G. Neighborhood Civic Places   |
| B. <del>Housing – For Buyers</del>        | K. Community-based Facilities  |
| C. <u>Housing – Rental Housing</u>        | L. Neighborhood Revitalization |
| E. Economic Dev. – Business Creating Jobs | N. Access to Housing Resources |
| F. Economic Dev. – Micro-enterprise       |                                |

This project will meet program objective C. Rental Housing. It meets this by producing a minimum of 11 units with rents that meet the HOME rent level requirements. The project will meet or exceed all required building codes. The amount per unit being requested is \$42,727 (well within the current city funding level policy). The project will exceed all accessibility and energy requirements. The location of this project does not have a high concentration of lower income housing. The proposed project is consistent with the Schenk-Atwood Neighborhood Business District Master Plan. Specifically this site was called out in that plan for future uses that include “redevelopment for artist studios, art related retail, professional offices and housing”. This plan was adopted as part of the City Comprehensive Plan as well. The project will be within the total secured funds to value ratio policy of the City and a minimum of 85% of the funds will be used for project capital costs as defined by the City.

4. Fund Objectives: Check the fund program objective which this project meets. (Check all for which you seek funding.)

- |                       |   |          |   |
|-----------------------|---|----------|---|
| Acquisition/<br>Rehab | <input type="checkbox"/> New Construction, Acquisition,<br>Expansion of Existing Building | Futures  | <input type="checkbox"/> Prototype                  |
|                       | <input type="checkbox"/> Accessibility  |          | <input type="checkbox"/> Feasibility Study          |
|                       | <input type="checkbox"/> Maintenance/Rehab  |          | <input type="checkbox"/> Revitalization Opportunity |
|                       | <input type="checkbox"/> Other  |          | <input type="checkbox"/> New Method or Approach     |
|                       |   |          |   |
| Housing               | <input checked="" type="checkbox"/> Rental Housing  | Homeless | <input type="checkbox"/> Housing                    |
|                       | <input type="checkbox"/> Housing For Buyers   |          | <input type="checkbox"/> Services                   |

5. **Budget:** Summarize your project budget by estimated costs, revenue, and fund source.

EXPENDITURES	TOTAL PROJECT COSTS	AMOUNT OF CD REVENUES	AMOUNT OF NON-CD REVENUES	SOURCE OF NON-CD FUNDED PORTION
<b>A. Personnel Costs</b>				
1. Salaries/Wages (attach detail)				
2. Fringe Benefits				
3. Payroll Taxes				
<b>B. Non-Personnel Costs</b>				
1. Office Supplies/Postage				
2. Telephone				
3. Rent/Utilities				
4. Professional Fees & Contract Services				
5. Work Supplies and Tools				
6. Other:				
<b>C. Capital Budget Expenditures (Detail in attachment C)</b>				
1. Capital Cost of Assistance to Individuals (Loans)				
2. Other Capital Costs:	\$13,134,447	\$470,000	\$12,664,447	See Attachment C
<b>D. TOTAL (A+B+C)</b>	<b>\$13,134,447</b>	<b>\$470,000</b>	<b>\$12,664,447</b>	

6. Action Plan/Timetable

Estimated Month of Completion  
(If applicable)

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

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

Action Plan/ Timetable		
Project Activity/ Milestone	Begin	Complete
Zoning	August 1, 2011	November 1, 2011
WHEDA Tax Credit		
Initial Application	September 1, 2011	January 31, 2012
Award Notification		April 15, 2012
Obtain Commitment of Tx Cr Equity	May 1, 2012	September 1, 2012
Obtain Construction Loan/ First Mortgage	May 1, 2012	September 1, 2012
Obtain Other Gap Financing	May 1, 2012	September 1, 2012
Contract for Construction	May 1, 2012	September 1, 2012
Closing	October 1, 2012	October 15, 2012
Construction	October 15, 2012	October 15, 2013
Marketing/ Rent-up	April 1, 2013	April 1, 2014

7. What was the response of the alderperson of the district to the project?

We met with the alder for district 6, Marsha Rummel and described the project and this request for funding. She indicated strong support for the project and will be assisting us as we work with the surrounding neighborhood to get input regarding the details of planning the project.

8. Does agency seek funds for property acquisition and/or rehab? [If applicable, describe the amount of funds committed or proposed to be used to meet the 25% match requirements (HOME or ESG) with its qualifications.]

☐ No Complete Attachment A

☒ Yes Complete Attachment B and C and one of the following:

☐ D Facilities

☐ E Housing for Buyers

☒ F Rental Housing and Proforma

9. Do you qualify as a Community Housing Development Organization (CHDO)? (See attachment G for qualifications.)

☐ No ☒ Yes - Complete Attachment G

10. Do you seek Scattered Site Acquisition Funds for acquisition of service-enriched housing?

☒ No ☐ Yes - Complete Attachment B, C, F, and H

11. Do you seek ESG funds for services to homeless persons?

☒ No ☐ Yes - Complete Attachment I

12. This proposal is hereby submitted with the approval of the Board of Directors/Department Head and with the knowledge of the agency executive director, and includes the following:


<input type="checkbox"/> Future Fund (Attachment A)	<input type="checkbox"/> Housing for Resale (Attachment E)
<input type="checkbox"/> Property Description (Attachment B)	<input checked="" type="checkbox"/> Rental Housing and Proforma (Attachment F)
<input checked="" type="checkbox"/> Capital Budget (Attachment C)	<input checked="" type="checkbox"/> CHDO (Attachment G)
<input type="checkbox"/> Community Service Facility (Attachment D)	<input type="checkbox"/> Scattered Site Funds Addendum (Attachment H)
	<input type="checkbox"/> ESG Funding Addendum (Attachment I)

13. Affirmative Action: If funded, applicant hereby agrees to comply with City of Madison Ordinance 39.02(9) 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: <http://www.cityofmadison.com/dcr/aaForms.cfm>.

14. Non-Discrimination Based on Disability: Applicant shall comply with Section 39.05, Madison General Ordinances, Nondiscrimination Based on Disability in City-Assisted Programs and Activities. Under section 39.05(7) of the Madison General Ordinances, no City financial assistance shall be granted unless an Assurance of Compliance with Sec. 39.05 is provided by the applicant or recipient, prior to the granting of the City financial assistance. Applicant hereby makes the following assurances: Applicant assures and certifies that it will comply with section 39.05 of the Madison General Ordinances, entitled "Nondiscrimination Based on Disability in City Facilities and City-Assisted Programs and Activities," and agrees to ensure that any subcontractor who performs any part of this agreement complies with sec. 39.05, where applicable, including all actions prohibited under section 39.05(4), MGO." <http://www.cityofmadison.com/dcr/aaForms.cfm>

Signature:   
President-Board of Directors/Department Head

Date: 7/1/2011

Signature:   
Executive Director

Date: 6 28 2011

For additional information or assistance in completing this application, please contact the CDBG Office at 267-0740.

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

INFORMATION CONCERNING PROPOSALS INVOLVING REAL PROPERTY

ADDRESS	ACTIVITY (Circle Each Applicable Phase)	NUMBER OF UNITS		Number of Units Currently Occupied	Number of Tenants To Be Displaced?	APPRAISED VALUE:		PURCHASE PRICE (If Applicable)	ACCESSIBLE TO INDIVIDUALS WITH PHYSICAL HANDICAPS?		PRIOR USE OF CD FUNDS IN BUILDING?
		Prior to Purchase	After Project			Current	After Rehab/ Construction		Currently?	Post-project?	
2100 Winnebago st	Purchase Rehab Construct	0	60	0		\$1,000,000	\$13,500,000	\$1,000,000	N	Y	N
	Purchase Rehab Construct										
	Purchase Rehab Construct										

CAPITAL BUDGET									
BUDGET (include all fund sources)									
Amount and Source of Funding: ***	TOTAL	Amount	Source/Terms** City HOME- Deffered 0%	Amount	Source/Terms** First Mortgage- 7.25% 30 yr Fixed	Amount	Source/Terms** Equity	Amount	Source/Terms** FHLB AHP Deffered 0%
<b>Acquisition Costs:</b>									
Acquisition	\$1,000,000	\$35,784		\$190,721		\$750,274		\$0	
Title Insurance and Recording	\$2,500	\$89		\$477		\$1,876		\$0	
Appraisal	\$5,000	\$179		\$954		\$3,751		\$0	
*Predvlpmnt/feasibilty/market study	\$6,000	\$215		\$1,144		\$4,602		\$0	
Survey	\$9,000	\$322		\$1,716		\$6,752		\$0	
Marketing	\$20,000	\$716		\$3,814		\$15,005			
Taxes during Const	\$27,000	\$966		\$5,149		\$20,257		\$0	
Other:									
<b>Construction:</b>									
Construction Costs	\$8,562,963	\$306,415		\$1,633,138		\$6,424,566		\$0	
Soils/site preparation									
Const. Period Insurance	\$25,000	\$895		\$4,768		\$18,757		\$0	
Landscaping, play lots, slgn									
Const interest	\$143,663	\$5,141		\$27,400		\$107,787		\$0	
print plans/specs	\$2,000	\$72		\$381		\$1,501		\$0	
Other:									
Fees: (Impact and utility)	\$215,000	\$7,694		\$41,005		\$161,309			
Architect	\$85,000	\$3,042		\$16,211		\$63,773		\$0	
Engineering	\$158,000	\$5,654		\$30,134		\$118,543		\$0	
*Accounting	\$27,000	\$966		\$5,149		\$20,257		\$0	
*Legal	\$104,000	\$3,722		\$19,835		\$78,028		\$0	
*Development Fee	\$1,427,874	\$51,095		\$272,326		\$1,071,296		\$0	
WHEDA Fees	\$116,096	\$4,154		\$22,142		\$87,104		\$0	
Investor Fees	\$50,000	\$1,789		\$9,536		\$37,514		\$0	
Project Contingency	\$648,853	\$23,218		\$123,750		\$486,818			
Furnishings	\$90,000	\$3,221		\$17,165		\$67,525		\$0	
<b>Reserves Funded from Capital:</b>									
Post Const Interest Carry	\$178,842	\$6,400		\$34,109		\$134,180		\$0	
Replacement Reserve	\$102,532	\$3,669		\$19,555		\$76,927		\$0	
Operating Reserve	\$128,125	\$4,585		\$24,436		\$96,129		\$0	
Other								\$0	

TOTAL COSTS: \$13,134,447 \$470,000 \$2,505,017 \$9,854,430 \$0

\* If CDBG funds are used for items with an \*, the total cost of these items may not exceed 15% of the CDBG amount.

\*\* Note: Each amount for each source must be listed separately, i.e. Acquisition: \$30,000 HOME, \$125,000 CRF.

**RESIDENTIAL RENTAL PROPERTY**

A. Provide the following information for rental properties:

						Heat , Hot Water, W, S, TR, (included)		
LIHC SETASIDE UNITS								
# UNITS	# BDRMS.	AMOUNT OF CD FUNDS	USE OF CD FUNDS	HOME UNITS	LIHC SETASIDE	RENT	UTILITY ALLOWANCE	Gross Rent
4	1	\$42,727	See Att. F	1	30%	\$400	\$47	\$447
9	1	\$170,909	See Att. F	4	40%	\$485	\$47	\$532
4	2	\$170,909	See Att. F	4	30%	\$480	\$59	\$539
6	2				40%	\$625	\$59	\$684
6	2				50%	\$715	\$59	\$774
3	2				60%	\$850	\$59	\$909
12	3	\$85,455	See Att. F	2	50%	\$895	\$72	\$967
12	3				60%	\$995	\$72	\$1,067
56		\$470,000	See Att. F	11				
MARKET UNITS								
# UNITS	# BDRMS.					RENT	UTILITY ALLOWANCE	Gross Rent
0	Eff.				MKT	\$0	0	\$0
0	1				MKT	\$0	0	\$0
3	2				MKT	\$900	59	\$959
1	3				MKT	\$1,200	72	\$1,272
4								
TOTALS								
60		\$470,000						

B. Indicate how the project will demonstrate that the housing units will meet housing and code standards.

The project will be designed by a licensed architect and engineer who will ensure it meets or exceeds all required codes and building standards.

C. Describe briefly your tenant selection criteria and process.

To identify prospective tenants, Movin' Out engages in affirmative marketing which is intended to reach populations that may not otherwise hear of our housing opportunities. We also use an extensive network among disability related organizations, brokers and local residential service agencies to get the word out that a unit is available. All applicants are required to complete an application and submit income and disability verifications. Each application undergoes a criminal and credit check as well as a review of the applicant's rental history. Attached to this application is a copy of Movin' Out's Tenant Selection Policy.



D. Does the project include plans to provide support services to assisted residents or to link assisted residents to appropriate services? If yes, describe.

Movin' Out does not develop, own or operate any housing that congregates special needs households or requires any licenses. Our mission is to provide affordable and accessible housing opportunities to households with disabilities in highly integrated settings. We plan to accomplish this through affirmative marketing efforts.

For the households that include people who need supportive services Movin' Out coordinates with other residential support service agencies to ensure those services are available. These proposed tenants receive comprehensive, self-directed, community-based supportive services funded and administered by the Adult Community Services Division of the Dane County Department of Human Services (ACS). Service planning and coordination is undertaken by ACS and its affiliated support brokers and service providers. Each tenant has a support broker who assists the tenant in creating a service plan and budget, identifying service providers, and monitoring and documenting the quality of support delivered. Participants have a range of supportive service providers capable of planning and providing individualized services.

The initial tenants have access to support brokers who help to identify and coordinate supports within the supportive service funding available to the person. The support broker assists the person in developing an individualized person-centered plan. Tenants may choose a support broker from among the support broker agencies that contract with Dane County Department of Human Services.

These tenants are expected to be eligible for supportive services funded by Medicaid waiver and other programs and administered by the Adult Community Services Division of Dane County Department of Human. Prospective tenants are now affiliated or may choose to affiliate with an county-approved agency that meets their needs and choices.

The initial tenants are expected to be eligible for vocational services or adult day services administered by the Adult Community Services Division of the Dane County Department of Human Services. Prospective tenants are now affiliated or may choose to affiliate with a county or managed care contracted agency that meets their needs and choices.

The Dane County Department of Human Services website, <http://www.danecountyhumanservices.org>) provides information on the self-directed services program, supportive service provider agencies, and other community resources. Information about applying for supportive services is available at the intake line at 608-242-6440 or email [DDInfo@countyofdane.com](mailto:DDInfo@countyofdane.com) or from the independent living center, Access to Independence, <http://www.accesstoind.org>.

ATTACHMENT F  
(continued)

[illegible]

**COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO) ONLY**

A. Please describe how the organization meets the following key criteria:

Yes a. Possesses not-for-profit, tax exempt 501(c) status;

Yes b. Has a board with fewer than 1/3 of its members as public officials;

Yes c. Includes provision of affordable housing within its statement of purpose;

Yes d. Includes lower income or lower income representatives for a minimum of 1/3 of its board and includes a means for lower-income participation;

Yes e. Demonstrates its capacity and experience in service the community.