

4-UNIT IN TARGETED REHAB AREA

AN ACQUISITION/REHAB DEVELOPMENT
FOR FORMERLY HOMELESS FAMILIES WITH CHILDREN

SUNNY SIDE DEVELOPMENT, AN INTRODUCTION...



- Nonprofit founded in May, 2018
- Mission is to create affordable, sustainable housing in Wisconsin
- 7 board of directors and 5 board of advisors, all with wide-ranging experience
- Brand the majority of projects with solar PV installation on roof.

THREE GOALS OF 4-UNIT PROJECT:

1. Create permanent supportive housing for homeless families
2. Reduce carbon emissions in Madison
3. Instill a sense of place in underserved Madison communities

ALIGNMENT WITH MUNICIPAL PLANS

- Imagine Madison – 2018
 - ‘Neighborhoods and Housing’ Chapter, Strategies 2, 4, 5 and 6
 - ‘Missing Middle’
- Sustainability Plan – 2011
 - Subsections: ‘Affordable Housing’ and ‘Carbon & Energy’
- Safe & Sound – End Homelessness in Dane County – 2016
 - Obj 3.2: Develop new permanent supportive housing
 - Obj 3.6: End family homelessness

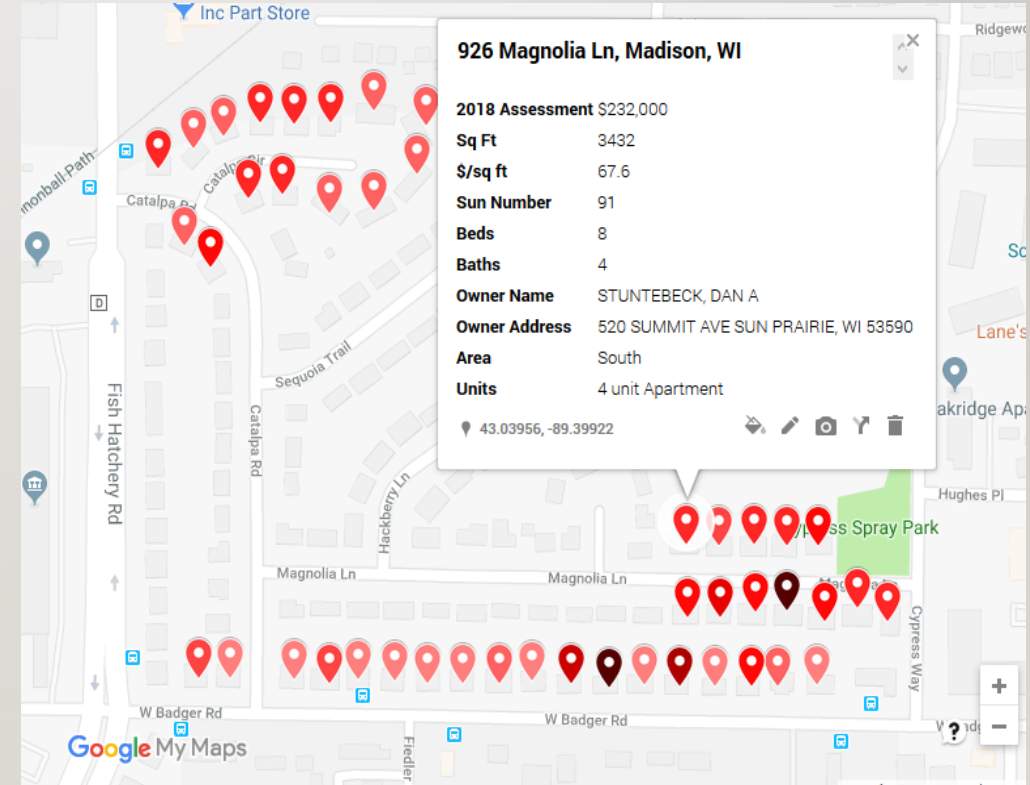
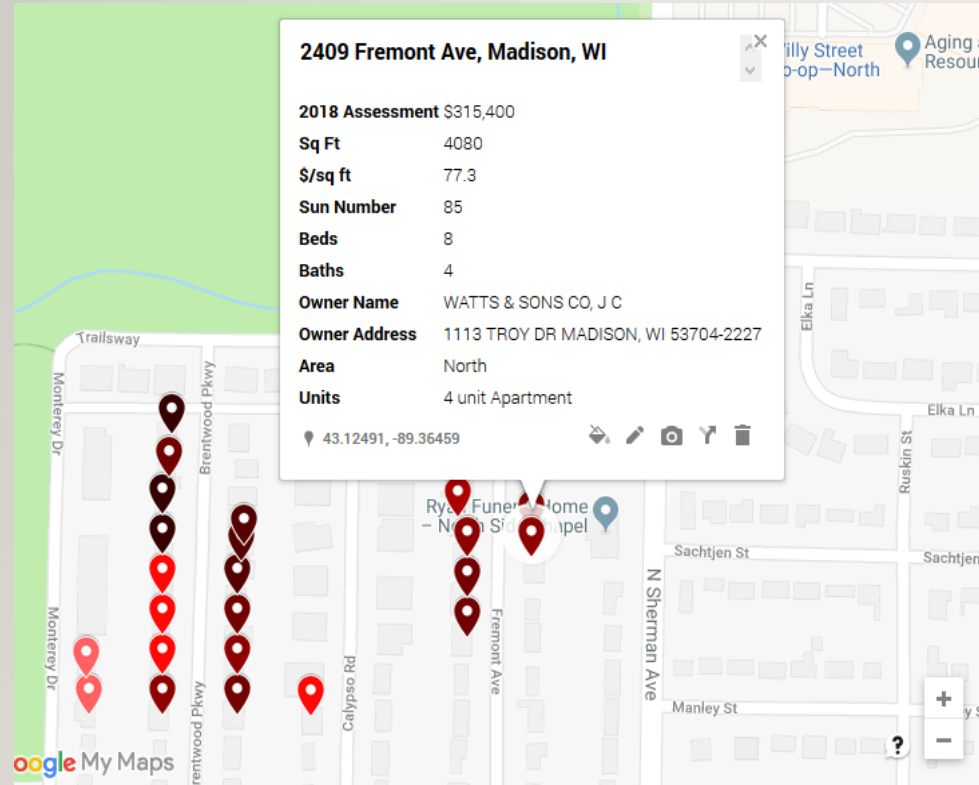
DEVELOPMENT ASSUMPTIONS

<i>Property type</i>	Four-unit apartment with 2BR/1 Bath per unit
<i>Property location</i>	CDD target rehab area in Madison, WI
<i>Property condition</i>	Fair to good
<i>Target tenants</i>	Formerly homeless families
<i>Property special features</i>	Excellent southern exposure for solar
<i>Maximum purchase price</i>	\$375,000
<i>HOME subsidy per unit</i>	\$80,000
<i>HOME subsidy for property</i>	\$320,000
<i>Vacancy allowance</i>	7%
<i>Rehab hard costs</i>	\$74,118
<i>Soft costs</i>	\$13,680
<i>Maximum total development cost</i>	\$462,798
<i>DSCR</i>	1.20

PROPERTY ACQUISITION PROCESS

- 195 existing 4-plex properties in Target Rehab Area
 - Average assessed value is \$268,752 or \$70.83/sf
- 116 properties fit 'sun number' and green space criteria
- Selection process:
 - Evaluate 'for sale' properties listed on MLS and FSBO
 - Reach-out to unlisted properties via direct mail
 - Final selection based on condition, unit size, price, & location

POTENTIAL 4-PLEX PROPERTIES IN TARGET AREA:



GOAL 1: PERMANENT SUPPORTIVE HOUSING FOR HOMELESS FAMILIES

- Currently 205 families with children experiencing homelessness in Dane County according to January, 2018 “Point-In-Time” survey
- All 4 units affordable for homeless families
 - Target families at 30% AMI (2 units), 35% AMI (1 unit) & 40% AMI (1 unit)*
 - Reduce tenant utility cost to near zero
- Signed MOU with Road Home to provide weekly supportive service case management to each family

* If acquisition price can be reduced to \$300k or less, all 4 units will target 30% AMI tenants

GOAL 2: REDUCE CARBON EMISSIONS IN MADISON

- Focus on Energy Multifamily Energy Savings Program
 - Implement energy audit recommendations
 - Increased insulation, efficient appliances/HVAC, LED lighting, etc
- Install 12kW solar photovoltaic system
 - Use 'Sun Number' to identify properties with excellent solar potential
 - Pass on energy savings to tenants
- Save embodied energy by directing HOME funds to existing structures



GOAL 3: INCREASE SENSE OF PLACE



GOAL 3: INCREASE SENSE OF PLACE

- Perception of 'place' influences individual well-being, neighborhood cohesion, and social fabric
- Add landscaping, backyard play equipment, and increased vegetation
- Convert basement into a congregating space
- Install visible solar panels
- Paint exterior with urban art mural



URBAN ART
MURALS AT
MOTHER FOOLS



THANK YOU!



AFFORDABLE – SUSTAINABLE – HOUSING

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