

CDD Financing Application for Affordable Rental Housing Development: Non-Tax Credit

This application form should be used for projects seeking funding from City of Madison Request for Proposals #2024-13033; Affordable Rental Housing Development: Non-Tax Credit. Applications must be submitted electronically to the City of Madison Community Development Division by **noon on May 31, 2024**. Please format for logical page breaks. Email to: cddapplications@cityofmadison.com

APPLICANT INFORMATION

Proposal Title:	Small Scattered Site Homeless Housing Program		
Site Address (if known):	3507 Milwaukee Street, Madison, WI 53714		
Amount of Funds Requested:	\$600,000	Type of Project:	<input type="checkbox"/> New Construction <input checked="" type="checkbox"/> Acquisition/Rehab
Name of Applicant:	Catalyst 4 Change LLC		
Mailing Address:	2617 E Washington Ave. Madison, WI 53704		
Telephone:	(608) 213-4959		
Lead Project Contact:	Sarah Fink and John Adams	Email Address:	sfink@catalystforchangeinc.org and jadams@catalystforchangeinc.org
Financial Contact:	John Adams	Email Address:	jadams@catalystforchangeinc.org
Website:	N/A		
Legal Status:	<input checked="" type="checkbox"/> For-profit <input type="checkbox"/> Non-profit <input type="checkbox"/> Non-profit (CHDO)		
Federal EIN:	87-1290716	SAM/UEI #:	* HNVJENJFRNW3
Registered on SAM:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	* If seeking federal funds	
Community Housing Development Organization:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> CHDO Application Attached		
HOME-ARP Set-Aside:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

If applying to this RFP under the HOME-ARP Set-aside, please check the box for "Yes" above. **For questions in this application that do not apply, please write "Not Applicable."**

AFFIRMATIVE ACTION

If funded, applicant hereby agrees to comply with the City of Madison Ordinance 39.02 and file an Individual Developer 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/individual-developers>.

LOBBYING RESIGTRATION

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 on the Community Development Division Funding Opportunities Website for this RFP.

If funded, the City of Madison reserves the right to negotiate the final terms of a contract with the selected agency.

SIGNATURE OF APPLICANT

Enter Name: John Adams Date: 5/29/2024

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 [JA] you are electronically signing your name as the submitter of the application and agree to the terms listed above.

AFFORDABLE HOUSING GOALS & OBJECTIVES

1. Please check which of the following goals outlined in the Request for Proposals are met with this proposal:

- 1. Increase the supply of safe, quality, affordable rental housing that ensure long-term affordability and sustainability.
- 2. Preserve existing income- and rent-restricted rental housing to ensure long-term affordability and sustainability.
- 3. Improve the existing rental housing stock through acquisition/rehab to create long-term affordability and sustainability.

AFFORDABLE HOUSING NEEDS

2. Please describe the anticipated demand for this specific affordable rental housing development in the City of Madison. Please be specific as to which populations will be targeted, if any.

Catalyst 4 Change anticipates there being a high demand for this specific affordable rental housing development in the City of Madison. With this funding, we intend to expand a rental property that will house 10 people experiencing homelessness. Catalyst 4 Change founders have worked in homeless services for the past decade. From our experience, we know there is a substantial need for housing for people experiencing homelessness in our community. The Dane County Housing Priority List currently has about 500 individuals experiencing homelessness on it in need of permanent, stable housing. We intend to house individuals from this list. We know that there will always be a high demand in the City of Madison for affordable housing, because rent prices continue to increase, while wages remain stagnant. While many Madison residents are very successful in our community, we recognize that there is still a significant amount of poverty and homelessness in our City. The Homeless Services Consortium of Dane County identified 624 people experiencing homelessness in Dane County during their annual Point in Time Count. Both the Dane County Housing Authority and the City of Madison Housing Authority have significant waitlists for their Section 8, low income housing vouchers and programs. These significant waitlists inform us that there is a high demand for affordable rental housing in the City of Madison.

PROPOSAL OVERVIEW

3. Please provide a brief overview of the proposal including key characteristics. Describe how the proposed development will help meet the needs of residents in this location and the impact of the proposed development on the community. *(Please limit response to 300 words including spaces).*

With the funding providing from this RFP in addition to other funding, Catalyst 4 Change will renovate a three story rental property to house individuals and families experiencing homelessness. After our renovations, the rental property will have 4 separate units. There will be a two bedroom unit on the first floors. The second floor will have a four bedroom unit. On the third floor there will be a three bedroom unit. Additionally, there will be a two bedroom accessory dwelling built above the garage. This housing will be for individuals and families experiencing homelessness in our community. This housing will provide an opportunity at safe, stable housing for several individuals and families. It will reduce the amount of people experiencing homelessness in our community. It will meet the need for affordable housing in our community. We will provide all tenants with support and case management services through Catalyst for Change Inc. From our experience, people experiencing homelessness are most successful in their housing when they move into small scattered site properties. When people experiencing homelessness move into large complexes with other people formerly experiencing homelessness, then they may be less successful and struggle to be suitable tenants. Because this is small, four unit property, we will can better support our tenants and ensure that this rental property does not have frequent police calls or cause a disturbance to the neighborhood.

SECTION A – ALL APPLICANTS MUST COMPLETE

4. Type of Construction: New Construction Acquisition/Rehab
 Type of Project: Multi-family Senior (55+ or 62+ yr. old): _____
 Rental Cooperative

Total number of units in proposed development: **4**

Total number affordable of units (≤60% CMI): **4**

Total % affordable of units (≤60% CMI): 100%

Total amount of CDD funds requested per affordable unit: **50000**

Number of units supported by Section 8 project-based vouchers, if applicable: 0

PBV CMI level: N/A

5. Please indicate acceptance of the standard loan terms for this proposal as described in Section 1.8 of the RFP.
 Yes, I confirm.

6. Applicants requesting alternative loan terms and/or wishing to provide additional information regarding the financing structure or options, please indicate below.

N/A

7. Period of Affordability Commitment:

Permanent Affordability in exchange for a waiver of shared appreciation to the long-term deferred note

40 years – Minimum Commitment

DEVELOPMENT TEAM OVERVIEW

8. Describe briefly the Development Team’s knowledge of and experience in addressing affordable housing needs of the City of Madison. Please be sure to address:

- a. Developer’s housing development experience, including number, type and location of proposed and completed projects, affordability profile, etc. Years the organization has been in existence.
- b. Leadership/key development team staff qualifications (briefly).
- c. Financial capacity of the organization to secure financing and complete the proposed project.
- d. For non-profit organizations, please describe the organization’s Mission Statement and explain how the proposed development supports the Mission Statement.

Catalyst 4 Change is still in the process of selecting a developer. We do not currently have information regarding a developer.

Catalyst 4 Change has the financial capacity to secure financing and complete the proposed project. Catalyst 4 Change currently owns and operates two similar rental properties that house individuals previously experiencing homelessness in Madison, Wisconsin. We will utilize other property incomes to assist in financing this project.

Catalyst 4 Change is a for profit organization.

9. For non-profit applicants interested in federal HOME funds, please describe the development team’s experience using federal HOME or CDBG funds in detail, including a list of past projects the team has developed using such funds.

N/A

10. Identify all key roles in your project development team, including any co-developers, property management agent, supportive services provider(s) (if applicable), architect, general contractor, legal counsel, and any other key consultants, if known.

Contact Person	Company	Role in Development	E-mail	Phone
John Adams	Catalyst 4 Change LLC	Property owner	jadams@catalystforchangeinc.org	608-213-4959
Michael Moody	Catalyst 4 Change LLC	Property owner	mmoody@catalystforchangeinc.org	608-217-8178
Kimberly Tesch	Catalyst For Change Inc	Supportive Services Provider	ktesch@catalystforchangeinc.org	608-515-1637
Jeff Femrite	Scholz Nonprofit Law, LLC	Legal Consulting	jfemrite@scholznonprofitlaw.com	608-692-0310

11. Who will be responsible for monitoring compliance with federal regulations and requirements during development and construction phases of the project? Describe their experience and list any past projects they have completed.

When we select a general contractor, we will ensure we select on that has prior experience monitoring compliance with federal regulations and requirements.

12. Are other major sources of soft funding are being sought for the proposed development (e.g., TIF, Federal Home Loan Bank Affordable Housing Program, Dane Workforce Housing Fund, etc.)? What is the status of those funds and anticipated commitment dates? Describe the development team’s experience in successfully obtaining funds from the sources sought for the proposed development.

There are no other major sources of soft funding that are being sought for the proposed development.

13. Is your development team willing to offer a development partnership role, employment, or other role to a graduate or student of the Associates in Commercial Real Estate (ACRE) program on this project?

Yes.

14. Please describe the development team’s experience with contracting with Minority- and Women-Owned Business Enterprises (M/WBE). Beyond standard construction bidding practices, what efforts will be made to ensure that M/WBE businesses are given plentiful opportunities to be competitive when bidding on this proposal and awarded a percentage of contracts that meets or exceeds the City’s goals.

When we are assembling our development team, specifically finding a general contractor, we will actively seek a Minority or Women Owned Business in our community to be our contractor. If we cannot find a Minority or Women Owned Business for our general contractor, we will select a general contractor that hires women and people of color.

15. Beyond standard construction bidding practices, what efforts will the development team commit to ensure that women and people of color represent a meaningful share of the construction labor force working on this proposal. Describe how the development team will meet or exceed the City’s contract labor utilization goal of **13%** for persons of color working on the job site.

When we are assembling our development team, we are committed to ensuring that women and people of color represent a meaningful share of the construction labor force working on this proposal. We intend to hire a general contractor that hires 13% or more people of color.

16. For the following development team roles, please identify the number and/or percentage of women and persons of color employed by that company or organization, as well as the **total** employees for each firm.

Company	Role in Development	BIPOC		Women		Total Employees
		#	%	#	%	#
Catalyst 4 Change LLC	Developer	1	50	0	0	2
N/A	Co-Developer					
N/A	General Contractor					
Catalyst 4 Change LLC	Property Manager	1	50	0	0	2
N/A	Architect					
Catalyst for Change Inc.	Service Provider	7	35%	17	85%	20

17. Describe the development team's organizational experience in engaging with the target populations you intend to serve, including black, indigenous, and other people of color. Especially consider operations, design, development, and property management.

Catalyst 4 Change co-founders have extensive experience serving Black, Indigenous, and other people of color. We currently own and operate two rooming houses and provide property management for two other properties. At these properties we support BIPOC and undocumented tenants and ensure that they are successful in their housing. We work closely with our tenants to assist them in obtaining the services they need to be successful such as employment, mental health treatment, case management, access to mainstream resources such as FoodShare are health insurance, and more. We practice trauma-informed care and harm reduction methods. We are culturally aware and responsive to the needs of our tenants. Catalyst 4 Change was co-founded by a Black man who has experienced poverty and homelessness during his youth. Our team is very empathetic and compassionate to the needs of BIPOC in our community. Additionally, Catalyst for Change Inc. will be providing supportive services to the residents in this rental property, and they also have extensive experience engaging with BIPOC. Catalyst for Change Inc. provides outreach and case management services to individuals and families experiencing homelessness in our community. They meet people where they are at in the community and connect them with the services and resources they need to obtain housing and be successful. Catalyst for Change works to lessen the racial disparities of people experiencing homelessness in our community. They work with BIPOC, people with undocumented immigration status, single parent households, and more. Catalyst for Change's staff is representative of the people they serve. Their team is made up of 35% people of color, people who have immigrated, people who have experienced poverty and homelessness and more. Their teams is excellent at serving BIPOC, because many of them have similar experiences or they have empathy and compassion for the experiences of others.

18. Describe ways in which the development team promotes and supports ongoing equity work in internal policy and procedures and within the community and the greater Madison area.

Catalyst 4 Change is deeply involved in promoting equity work in our community and within the greater Madison area. Catalyst 4 Change has purchased two rental properties that exclusively house people experiencing homelessness. We have also partnered with several property owners in our community to assist homeless individuals and families in obtaining housing. Through our partnerships with property owners, we have built trust and reliability and therefore property owners have been more willing to rent to homeless individuals that have our support. We believe in finding creative solutions to creating a more equitable society. This rental property is another example of our desire to create greater equity in our community. People experiencing homelessness need affordable opportunities at housing. This rental property is the perfect first place for someone who has been experiencing homelessness. It is affordable and it provides a high level of support through case management. After individuals and families are successful in this housing, they can move into a bigger unit. In order to stabilize, people need a consistent place to sleep every night and a place to store their belongings. This housing is an opportunity. Once folks have an opportunity at housing, they are often able to work on achieving their other goals such as sobriety, improved mental health, employment, reconnecting with children or other families members and more. Additionally, our policy is to try every possible form of mediation with our tenants. We give everyone an opportunity, and we will work with every tenant so they can be successful.

19. If any team member has acted as a development partner or has any ownership interest in any project currently underway or completed, please provide the following information for the team member or any related entity, as applicable:

- a. List any foreclosure, default, or bankruptcy within the past ten years.
- b. List any litigation completed, pending, or underway in relation to any financing or construction project within the past five years.
- c. List any Chronic Nuisance Abatement or Nuisance Case notifications issues by Madison Police Department and/or Building Inspection in the past five years.

Catalyst 4 Change LLC and our team members have never had a foreclosures, defaults, or bankruptcies within the past 10 years. We do not have any litigation completed, pending, or underway in relation to any financing or construction projects within the past 5 years. We have not received and Chronic Nuisance Abatement or Nuisance Case notifications issued by the Madison Police Department and/or Building Inspection in the past five years.

PROPERTY MANAGEMENT: TENANT SELECTION & AFFIRMATIVE MARKETING

20. Confirm that you have read and agree to submit an Affirmative Marketing Plan and Tenant Selection Plan consistent with the Standards found in RFP Attachments B-1 and B-2.

Yes, I confirm.

21. Describe the affirmative marketing strategy and any other strategies to engage your intended population. How will the Property Manager affirmatively market to populations that are least likely to apply? Specifically outline how this development's marketing will be consistent with the City of Madison's Affirmative Marketing Plan Standards (Attachment B-2 of the RFP), especially for Asian and Latinx populations which are historically under-marketed in affordable housing opportunities.

Catalyst 4 Change's Affirmative Marketing Plan will prioritize marketing this residence to under-represented populations, specifically Asian and Latinx individuals and families. We will market to this population specifically by promoting this housing opportunity in different languages including Spanish and Hmong. We will promote this housing opportunity in spaces where Asian and Latinx populations are more likely to visit such as Centro Hispano, Freedom Inc., and Latinx and Hmong businesses and churches in our community. Our marketing materials like flyers and website advertisements will be inclusive, diverse, and culturally sensitive. When selecting tenants, we will prioritize Latinx and Asian applicants.

22. Please address experience in and/or plans to implement inclusive and culturally-inclusive property management and marketing practices. Detail specific partnerships that the development team, Property Manager, and/or other agencies in this proposal have had with community agencies and organizations that provide direct housing search and related assistance to households least likely to apply, **especially including undocumented residents and/or residents without social security numbers**. Please reference successful past practices, relationships with agencies and/or marketing materials used. Include a list of organizations that you have partnered with in the past for marketing activities.

Catalyst 4 Change has experience providing housing to individuals and families that have undocumented immigration status. We currently rent to two families that have undocumented immigration status. We are willing to give anyone a chance at housing and we will do our best to support them in being successful and connecting to other resources they need to be successful. Additionally, we have worked with several more undocumented individuals and families to find other housing. In our experience, immigrants with undocumented status have been excellent tenants and we intend to continue working with folks with undocumented status. Additionally, we will market this residence to individuals and families experiencing homelessness. In the past we have been successful finding tenants through our partnerships with the following organizations: Porchlight Men's Shelter, The Salvation Army Women's Shelter, the Beacon Day Resource Center, Coordinated Entry, Centro Hispano, and more. We intend to market this residence to these same organizations.

23. Describe your approach to successfully utilizing alternatives to eviction, both pre- and-post filing, such as payment plans, mediation, etc. to avoid evictions.

We are very flexible as property managers. We will help tenants apply for rental assistance if needed. We rarely part ways with tenants due to non-payment of rent. More commonly, our tenants have behavioral issues that lead to police calls. When this occurs, we give our tenants several opportunities to improve the situation. We believe that every tenant is capable of being successful in their housing and we do whatever we can to support tenants.

24. Describe any staffing challenges or shortages that the Property Management (PM) company has experienced at the on-site level in the past few years. What will the PM do to address and/or cover on-site staffing challenges at the proposed development should they arise?

Catalyst 4 Change founders, John Adams and Michael Moody, manage all of our own properties. We have not experienced any staffing challenges or shortages in the past few years. We are able to manage our properties on our own at this time, and we will continue to do so to avoid staff challenges.

25. What percent of staff turnover did the PM experience at Madison-area properties in 2023? 0%

26. Divide the number of resignations or terminations in calendar year 2023 by total number of budgeted positions. Explain turnover rate of 20% or more within Property Management staff. Discuss any other noteworthy staff retention issues or policies in place to reduce staff turnover.

N/A

27. Please describe the experience of the property management team or agency including trainings and/or certifications that the individual/property management team or agency has completed and/or attained. Who will be responsible for monitoring compliance with local and federal regulations and requirements during the Period of Affordability?

Catalyst 4 Change has managed properties for three years now. We have attended a training offered by the Tenant Resource Center for landlords and property managers. We will be responsible for monitoring compliance during the Period of Affordability. We plan to attend a training through HUD to better learn how to monitor compliance.

SITE INFORMATION

28. Address(es) of Proposed Site, if known: 3507 Milwaukee Street, Madison, WI 53714

29. In which of the following areas on the Affordable Housing Targeted Area Map (see Attachment A) is the proposed site located? Please check one plus Limited Eligibility, if applicable.

- Preferred TOD Area (New Construction Only)
 Eligible Core Transit Area (New Construction Only)
 Preservation & Rehab Area (Ineligible for New Construction; Some exceptions may apply)
 Limited Eligibility Area

30. Explain why this site was chosen and how it helps the City to expand affordable housing opportunities in areas of greatest impact. Describe the neighborhood and surrounding community.

This site was chosen because it is currently a sober living house and it is very close to many resources that will be beneficial for clients to access. This property would allow people with lower incomes to move into an area surrounded mostly by owner occupied homes. This will give our tenants the feeling of being part of a community and neighborhood. This will foster good habits as tenants and teach our tenants how to be good community members. Additionally, this property is located close to many amenities and services so our tenants will not need to rely on vehicles for transportation. This site is close to the East Transfer point and residents will be able to get many different places in a short amount of time from this site. There are many resources in this community. Additionally, this site is located on Madison's vibrant East side. This property is in walking distance to Olbrich Park and Olbrich Botanical Gardens. It is in walking distance of Lake Monona. It is near the cultural hub of Willy Street. This site is located in the excellent and welcoming community of Madison's Eastmorland Neighborhood.

31. Identify the neighborhood in which the site is located: Eastmorland Neighborhood

32. Site Specific or Site-Undetermined Application:

- a. Date Site Control Secured (or anticipated): July 2024
b. Site Specific application without Site Control (check if no site control)
c. Check if Site is Yet-To-Be Identified (targeted area proposal)

DEVELOPMENT TEAMS THAT SELECTED OPTION C IN QUESTION 32 (WITH AN UNDETERMINED SITE) CAN NOW SKIP TO APPLICATION SECTION B, AND DO NOT NEED TO COMPLETE QUESTIONS 33-65, AT THIS TIME

33. Current zoning of the site: Residential An interactive version of the Zoning Map can be found linked [here](#).

34. Will the proposed development need to seek a Zoning Map Amendment:
 Yes No, it's permissively zoned To be determined

35. Describe any necessary planning and zoning-related approvals (conditional use permit, demolition, etc.) that must be obtained for the proposal to move forward.

We will need a building permit to move forward with this proposal.

36. Describe the proposed project's consistency with the land use recommendations, goals and objectives as may be relevant in adopted [plans](#), including the City of Madison Comprehensive Plan (adopted 2018), Neighborhood Plan(s), Special Area Plans, the Generalized Future Land Use Map (interactive version linked [here](#)), and any other relevant [plans](#).

Our property is located within the Southeast Area plan which is set to begin in Fall of 2024. Our plan for this rental property aligns with the City of Madison's Strategy 4 which is to integrate lower priced housing, including subsidized housing, into complete neighborhoods. This property would allow people with lower incomes to move into an area surrounded mostly by owner occupied homes. This will give our tenants the feeling of being part of a community and neighborhood. This will foster good habits as tenants and teach our tenants how to be good community members. Additionally, this property is located close to many amenities and services so our tenants will not need to rely on vehicles for transportation.

37. If the site is in a Limited Eligibility Area, describe how the relevant concerns will be addressed via design or other strategies, e.g., noise mitigation, air quality, etc.?

N/A

38. Identify the distance the following amenities are from the proposed site. All distances should be entered as would be traveled by residents of the development (i.e. walking/driving distance, not straight-line distance). Limit to closest three and/or less than one mile per category. Please use the MMSD Find My School [link](#) as the closest school is not always assigned.

Type of Amenities & Services	Name of Facility	Distance from Site (in miles)
Full Service Grocery Store	Woodman's Food Market	.5 miles
Public Elementary School	Schenk Elementary School	.6 miles
Public Middle School	Whitehorse Middle School	.6 miles
Public High School	La Follette High School	3.2 miles
Job-Training Facility, Community College, or Continuing Education Programs	Dane County Job Center	2.6 miles
Childcare	Sunny Ridge Kids Childcare	1.2 miles
Public Library	Madison Public Library - Hawthorne	1.3 miles
Neighborhood or Community Center	Neighborhood House Community Center	5.3 miles
Full Service Medical Clinic or Hospital	UW Health Union Corners Clinic Urgent Care Clinic	1.3 miles
Pharmacy	Community Pharmacy East-side	.6 miles
Public Park or Hiking/Biking Trail	Olbrich Park	.8
Banking	Old National Bank	1.3 miles
Retail	East Towne Mall	3 miles

B-cycle Station	Olbrich B-Cycle Station	1.8 miles
Other (list the amenities):		

39. What is the actual walking distance between the proposed site and the nearest seven-day per week [transit stops](#) (i.e. weekday and weekends)?

The walking distance between the proposed site and the Metro Transit Route East Transfer Point is .3 miles or a 7 minute walk. There is also a Metro Transit bus stop right outside the front door on the corner of this property on the corner of Milwaukee Street and Walter Street. From the property to this bus stop is 0.0 miles or a 1 minute walk.

40. Describe the walkability of the site and the safest walking routes for children to get to their elementary and middle schools if MMSD [Yellow Bus Service](#) is not provided (e.g., less than 1.5 miles and no major roads crossed). Describe the Metro Transit Route for high school students. Enter "N/A" for age restricted (55+) developments.

This site is highly walkable. The elementary school and middle school are both .6 miles away. The path to the schools has sidewalks and is a safe area. The Metro Transit Route is a 20 minute bus ride from this property to the nearest high school. There are zero transfers.

41. Describe the transit options for people to access employment and amenities such as childcare, after school activities, grocery stores, the nearest library, neighborhood centers, and other amenities described above.

The Madison Metro East Transfer Point is .3 miles away from this rental property. There is also a bus stop right outside the front door of this property on the corner of Milwaukee Street and Walter Street. This property is highly accessible on the Madison Metro bus routes. There are employment options and amenities such as childcare, after school activities, grocery stores, and libraries less than .5 miles away from this property. There are ample amenities within walking distance of this property.

42. For non age-restricted developments over 40 units, describe the impact this housing development will have on the schools in this area. What percent are the 5-year projected capacities for the area schools? Ideal enrollment is considered 90%. Are the schools projected to be at, above, or below capacity? Approximately how many elementary and middle school children are projected to live at the proposed housing development based on the proposed unit mix and previous housing experience? See 5-year projected capacities from 2019 school capacity information found in this [Report](#) (.pdf pages 30-31). MMSD is in the process of updating this information post-pandemic. Please also e-mail Grady Brown (kqbrown@madison.k12.wi.us) to obtain updated current and projected capacity for the relevant schools.

Our development is not over 40 units.

CITY AND COMMUNITY ENGAGEMENT PROCESSES

43. Briefly summarize the most notable staff comments made at the City's Development Assistance Team (DAT) regarding the proposed development and reference the date of the presentation, if you have already presented. If you've not yet presented to DAT, what is the anticipated date of the presentation?

N/A

44. For new construction proposals, describe the neighborhood and community input process, including notification to and input from the nearby Neighborhood Association(s), already underway and planned. What was the date that the proposal was presented to the neighborhood? If not yet completed, what is the anticipated meeting date? What issues or concerns with the project has been identified, if any? How will those be addressed? Describe the plan for continued neighborhood input on the development (e.g. steering committee, informational meetings, project website, etc.).

N/A

45. Describe the response of the alder in which the proposal is located, as well as the adjacent [Aldermanic District](#), if applicable. What issues or concerns with the project has been identified, if any? How will those be addressed?

We did not speak to the Alderperson in this district due to this being a small rehab project.

SITE AMENITIES

46. Describe the interior and exterior common area amenities that will be available to tenants and/or guests, and any costs for reservation (e.g., community rooms, exercise room, business center, tot lot, grill area, etc.). What parking will be provided and at what cost? Will the cost vary by CMI level? For family developments, will there be a year-round indoor play space for children?

There will one parking stall per unit on the property. Additionally, there is ample street parking in this area. Parking will be included in the rent. Because we aim to provide housing to people experiencing homelessness, all units will be prefurnished with essentials. There will be shared common rooms in each unit that will have a TV provided in addition to couches, chairs, and side and coffee tables. The dining room will be prefurnished with a kitchen table, kitchen chairs, and basic cookware such as pots, pans, plates, cups, and silverware. Bedrooms in each unit will be prefurnished with a single or double sized bed depending on the space available in each room. If tenants would prefer to bring their own bed or furniture, we can place the prefurnished furnishings in storage.

47. Describe the interior apartment amenities, including plans for internet service (and cost to tenants, if any) and a non-smoking indoor environment throughout the building.

As previously mentioned, all units and bedrooms will be fully furnished with essentials because we intend to house people experiencing homelessness. Additionally, the building will have a shared washer and dryer in the basement. Internet services will be included in the rent. The rental property will be fully non-smoking indoors. Residents will be able to smoke outside 20 feet away from the building in a designated smoking area.

PROPOSAL TIMELINE

48. Please 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
Draft Site Plan Ready to Submit to Dev. Assistance Team (DAT) [<i>Target/Actual Month/Date</i>]	August 2024
1 st Development Assistance Team Meeting [<i>Target/Actual Month/Date</i>]	August 2024
1 st Neighborhood Meeting [<i>Target/Actual Month/Date</i>] (if applicable)	N/A
Submission of Land Use Application (if applicable)	N/A
Plan Commission Consideration	August 2024
Urban Design Commission Consideration, if applicable [<i>Target Month/Date</i>]	N/A
Complete Financing	August 2024
Acquisition/Real Estate Closing	July 2024
Rehab or New Construction Bid Publishing	August 2024
New Construction/Rehab Start	September 2024
Begin Lease-Up/Marketing	January 2025
New Construction/Rehab Completion	September 2025
Certificates(s) of Occupancy Obtained	August 2024
Complete Lease-Up	September 2025
Request Final Draw of CDD Funds	September 2025

HOUSING INFORMATION & UNIT MIX

49. Provide the following information for your proposed project. List the property address along with the number of units you are proposing by size, income category, etc. If this is a scattered site proposal, list each address separately with the number of units you are proposing by income category, size, and rent for that particular address and/or phase. Attach additional pages if needed.

ADDRESS #1:		3507 Milwaukee Street, Madison, WI									
		# of Bedrooms					Projected Monthly Unit Rents, Including Utilities				
% of County Median Income (CMI)	Total # of units	# of Studios	# of 1 BRs	# of 2 BRs	# of 3 BRs	# of 4+ BRs	\$ Rent for Studios	\$ Rent for 1 BRs	\$ Rent for 2 BRs	\$ Rent for 3 BRs	\$ Rent for 4+ BRs
≤30%	4	0	0	2	1	1			1100	1500	1800
40%	0	0	0	0	0	0					
50%	0	0	0	0	0	0					
60%	0	0	0	0	0	0					
Affordable Sub-total	4	0	0	2	1	1					
80%	0	0	0	0	0	0					
Market*	0	0	0	0	0	0					
Total Units	4	0	0	2	1	1	Notes:				

*40% = 31-40% CMI; 50% = 41-50% CMI; 60% = 51-60% CMI; 80% = 61-80% CMI; Market = >81% CMI.

ADDRESS #2:		N/A									
		# of Bedrooms					Projected Monthly Unit Rents, Including Utilities				
% of County Median Income (CMI)	Total # of units	# of Studios	# of 1 BRs	# of 2 BRs	# of 3 BRs	# of 4+ BRs	\$ Rent for Studios	\$ Rent for 1 BRs	\$ Rent for 2 BRs	\$ Rent for 3 BRs	\$ Rent for 4+ BRs
≤30%	0	0	0	0	0	0					
40%	0	0	0	0	0	0					
50%	0	0	0	0	0	0					
60%	0	0	0	0	0	0					
Affordable Sub-total	0	0	0	0	0	0					
80%	0	0	0	0	0	0					
Market*	0	0	0	0	0	0					
Total Units	0	0	0	0	0	0	Notes:				

*40% = 31-40% CMI; 50% = 41-50% CMI; 60% = 51-60% CMI; 80% = 61-80% CMI; Market = >81% CMI.

50. Utilities/amenities included in rent: Water/Sewer Electric Gas Free Internet In-Unit
 Washer/Dryer Other: _____

51. Please list the source of calculating your utility allowance, and the total utility allowance per bedroom size:
 Utilities Allowance Used: CDA DCHA HUSM

Unit Size (Number of Bedrooms)	Total Monthly Utility Allowance (\$)
Efficiency	118
1-Bedroom	131
2-Bedroom	168
3-Bedroom	216

REAL ESTATE PROJECT DATA SUMMARY

52. Enter the site address (or addresses if scattered sites) of the proposed housing and answer the questions listed below for each site.

	# 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
Address:	3507 Milwaukee Street, Madison, WI 54714								
	3	4	3	0	1	1	318,000	600,000	325,000
Address:	N/A								
Address:	N/A								

53. Describe the historical use(s) of the site. Identify if a Phase I Environmental Site Assessment has been completed and briefly summarize any issues identified. Identify any environmental remediation activities planned, completed, or underway, and/or any existing conditions of environmental significance located on the proposed site.

The house is 200 years old. It was one of the first properties in the area. It has a U-shaped driveway that was used for stage coaches. It is currently being used as a sober living house. We have not yet completed a Phase I Environmental Site Assessment on the property.

54. Identify any existing buildings on the proposed site, noting any that are currently occupied. Describe the planned demolition of any buildings on the site.

There is a three story house on the proposed site. The house is currently occupied by tenants. The property will not be demolished. It will be renovated.

55. Will any business, including churches and non-profit organizations, or residential tenants (owner or rental) be displaced temporarily or permanently? If so, please describe the relocation requirements, relocation plan and relocation assistance that you will implement or have started to implement.

No businesses, including churches and non-profit organizations will be displaced. Residential tenants will not be displaced, however, there will be construction done on their units which may disrupt their living space during weekday hours.

56. For proposals that include rehabilitation, have you completed a capital needs assessment for this property? If so, summarize the scope and cost; attach a copy of the capital needs assessment if available. If proposal includes

rehabilitation of occupied properties will be phased over more than a year, please describe the assessment and phasing plan in detail.

We have not yet completed a capital needs assessment for this property.

ENERGY EFFICIENCY, RENEWABLE ENERGY, SUSTAINABLE DESIGN & ACCESSIBILITY

57. Describe your organization’s experience in developing projects that incorporate extraordinary sustainability, energy efficiency, decarbonization/electrification, and/or green building design techniques? Please list any industry standards, third-party certifications or awards achieved on projects developed in the past ten years, such as LEED®, WELL, ENERGY STAR Multifamily New Construction Certification, Passive House, etc.

We do not have any experience in developing projects that incorporate extraordinary sustainability, energy efficiency, decarbonization/electrification, and/or green building design techniques. However, we will prioritize sustainability and energy efficiency at this property.

58. Describe the proposed project’s energy efficiency approach, design and equipment choices. For new construction proposals, please attach a copy of the confirmation page demonstrating that your organization has submitted an [Initial Application](#) for Focus on Energy’s Energy Design Assistance program once available. For rehabilitation proposals, please attach documentation confirming that your organization has reached out to Focus on Energy’s [multifamily program, once available](#).

We have not yet reached out to Focus on Energy's multifamily program. We will begin this process once we have purchased the rental property. We intend to select energy efficient equipment like High Efficiency washers and dryers, and energy saving dishwashers and refridgerators. We intend to install central air conditioning which is more energy efficient that window units. We also intend to update other elements to make the property more energy efficient such as windows and light fixtures.

59. Check all applicable third-party certifications of Energy Efficiency & Sustainability that will be sought.

Third-Party Certification	YES
Focus on Energy’s Energy Design Assistance program <i>(Initial Application submittal confirmation page is attached)</i>	<input type="checkbox"/>
Wisconsin Green Built- GOLD Standard	<input type="checkbox"/>
EPA AirPLUS	<input type="checkbox"/>
LEED®	<input type="checkbox"/>
WELL	<input type="checkbox"/>
ENERGY STAR Multifamily New Construction	<input type="checkbox"/>
Passive House	<input type="checkbox"/>
Other:	<input type="checkbox"/>
Other:	<input type="checkbox"/>

60. Please describe how this proposed development will contribute to the City’s goal of 100% renewable energy and net-zero carbon emissions community-wide by 2050. For more information, see [100% Renewable Madison Report](#). Please describe below any other renewable energy systems to be included in the development, such as solar thermal, solar hot water, geothermal, etc.

What size of solar array is anticipated (in Kw)? **N/A**

What percentage of on-site electricity use is the development aiming to provide via the solar array? **0%**

At this time, we do not know how the proposed development will contribute to the City's goal of 100% renewable energy and net-zero carbon emissions community-wide by 2050. We will keep this in mind when hiring a general contractor. We will prioritize selecting a general contractor that is committed to developing renewable homes.

--

61. Please indicate sustainable design features and equipment included choices in the proposed development that will help to reduce fossil fuel consumption, achieve decarbonization, and improve air quality:

Sustainability Design Features & Equipment	YES	Comments
a. Air-source or ground source heat pumps	<input checked="" type="checkbox"/>	
b. Electric or heat-pump water heaters	<input checked="" type="checkbox"/>	
c. Electric stoves	<input checked="" type="checkbox"/>	
d. EV charging infrastructure or EV ready design <i>(exceeding City ordinance requirements)</i>	<input type="checkbox"/>	
e. Battery storage	<input type="checkbox"/>	
f. Other:	<input type="checkbox"/>	
g. Other:	<input type="checkbox"/>	

62. New Construction Proposals Only: Please *briefly* describe the Sustainable Building Design Elements and Strategies that will be incorporated into the proposed project as referenced in the [AIA Framework for Design Excellence](#), especially the following:

a. Design for Equitable Communities

N/A

b. Design for Energy – Optimized energy use. What is the U value of windows?

N/A

c. Design for Water – Describe proposed strategies to protect and conserve water (i.e. water efficiency), reduce reliance on municipal water sources, incorporate systems to recapture and/or reuse water on-site.

N/A

d. Design for Resources – Optimize building space and material use

N/A

e. Design for Well-being – Consider physical, mental, and emotional well-being, plus trauma-informed design.

N/A

f. Design for Ecosystems – Especially indoor environmental quality (IEQ)

N/A

g. Design for Change – Optimize operational and maintenance practices

N/A

h. Design for Integration, Economy, Change and/or Discovery – Any additional AIA Framework comments

N/A

63. Describe this development’s approach to accessibility. Indicate the number and percent of ADA accessible units as well as the number and percent of proposed Type A accessible units and/or convertible to Type A units as needed. Will this development exceed the minimum requirements to the greatest extent feasible? For rehab, describe the accessibility modifications that will be incorporated into the existing development.

One of four units will be Type A accessible. Therefore 25% of our units will be Type A accessible. We will exceed the minimum requirements to the greatest extent feasible. For our Type A unit, there is a professional metal ramp installed by the ADRC. The first floor is fully handicap accessible. The second and third floor units are not accessible for wheelchair users as there are stairs and no elevator. We will make reasonable accommodations for all tenants with disabilities such as hand rails, pull bars, and more.

64. Describe this development’s level of commitment to the principles of Universal Design. Explain the extent to which the development team will incorporate the greatest feasible levels of Universal Design in residential units, commercial spaces, and in common areas. What percentage or number of units in the proposed development will incorporate Universal Design principles? What percent of units will be visitable?

We intend to implement Universal Design to all renovated spaces. We will practice creating spaces that can be accessed, used, and understood by all regardless of age, size, ability, or disability. Spaces that are not being renovated will not follow Universal Design principles, but we will attempt to implement Universal Design elements into the non-renovated areas.

REFERENCES

65. Please list at least three municipal/financing references who can speak to your work on similar developments completed by your team.

Name	Relationship	Email Address	Phone
Ted Gunderson	Business Relations Manager	tgunderson@lakeridge.bank	(608) 223-5159
Chelsea Volden-Stammen	Department of Community and Economic Development	cvolden-stammen@cityofmadison.com	(608) 266-4719
Calvin Brace	Real Estate Business Partner	c.brace@focuscounselingwisconsin.com	(608) 335-8093

DEVELOPMENT TEAMS WITH AN IDENTIFIED SITE (AND HAVE COMPLETED QUESTIONS 32-65) DO NOT NEED TO COMPLETE SECTION B.

SECTION B – TARGETED AREA ONLY (No Identified Site)

SITE INFORMATION

1. General Area of Proposed Sites: _____
2. If applicable, please identify in which of the following areas on the Affordable Housing Targeted Area Map your proposal is generally located in, or that you anticipate you will target. If the area targeted for your proposal is larger or consists of multiple areas, please select one of the following that comprises the majority of your target area.
 - Preferred Area (New Construction Only)
 - Super-Preferred Area (New Construction Only)
 - Eligible Area (New Construction & Acquisition/Rehabilitation)
 - Targeted Rehab Area (Ineligible for New Construction, but preferred for acquisition & rehabilitation)

3. Explain why this area was chosen. How does it help the City to expand affordable housing opportunities in areas of greatest impact? How will this area assist in providing neighborhood-serving benefits?

4. Describe the type of housing project you propose to develop (i.e. new construction, preservation or acquisition and rehab)?

5. Number of units you anticipate developing in the targeted area: _____

6. Identify the following amenities that exist in the area which you have identified. If an amenity/service does not exist within the area, determine and list the next closest location.

Type of Amenities & Services	Name of Facility	In Targeted Area? (yes/no)
Full Service Grocery Store		
Public Elementary School		
Public Middle School		
Public High School		
Job-Training Facility, Community College, or Continuing Education Programs		
Childcare		
Public Library		
Neighborhood or Community Center		
Full Service Medical Clinic or Hospital		
Pharmacy		
Public Park or Hiking/Biking Trail		
Banking		
Retail		
Other (list the amenities):		

7. Are there seven-day per week transit stops (i.e. weekday and weekends) in or adjacent to your targeted area?

8. Describe your experience in gaining necessary planning and zoning-related approvals (rezoning, conditional use permit, demolition, etc.) that have been obtained for other developments. Are there adequate sites available in this targeted area that can feasibly identify and develop within the timeframe listed in the RFP? Please explain how you anticipate selecting a site(s).

9. Describe the your anticipated project and targeted area's consistency with adopted [plans](#), including the City of Madison Comprehensive Plan (adopted 2018), Neighborhood Plan(s), Special Area Plans, the Generalized Future Land Use Map (interactive version linked [here](#)), and any other relevant [plans](#).

CITY AND COMMUNITY ENGAGEMENT PROCESSES

10. Describe your familiarity with this neighborhood and community. Have you previously worked with this Neighborhood Association(s) or Alder? Describe the response of the alderperson in which the proposal is located, as well as the adjacent alderperson(s), if applicable. What issues or concerns with your anticipated project have been identified, if any? How will those be addressed? Please note new Aldermanic Districts that went into effect January 1, 2022.

SITE AMENITIES

Specific details of site amenities will be asked in a supplemental application submittal once a site(s) has been identified, as a component of City approvals before funding allocated.

ENERGY EFFICIENCY, RENEWABLE ENERGY & SUSTAINABLE DESIGN

11. What is your organization's experience in developing projects that incorporate extraordinary sustainable, energy efficient, and/or green building design techniques? Please list any awards, industry standards or third-party certifications achieved on projects developed in the past ten years, LEED®, WELL, Passive House, etc.

12. Please describe how proposed developments will contribute to the City's goal of 100% renewable energy and zero-net carbon emissions (originally adopted March 21, 2017). For more information, see [100% Renewable Madison Report](#).

13. Describe this development team's past approach to accessibility. Will any proposed development meet or exceed the minimum requirements? For rehab, describe the accessibility modifications that will be incorporated into existing developments.

14. Describe this your agency's commitment to the principles of Universal Design. Elaborate on how your agency has incorporated Universal Design components in residential units, any commercial space, and in common areas. Do you anticipate that your agency will exceed building code standards for Type A units? Once a site is identified, what percentage or number of units in any proposed developments will incorporate Universal Design principles?

ONLY DEVELOPMENT TEAMS APPLYING FOR HOME-ARP FUNDS MUST COMPLETE SECTION C. ALL OTHER APPLICANTS MAY PROCEED TO PAGE 21.

SECTION C – HOME-ARP FUNDS – HOMELESSNESS & HOUSING STABILITY
--

Applicants seeking HOME-ARP funds, must also complete the following questions.

1. Please confirm that the development team, including property management and supportive service coordinator, have read and understand Attachment E which outlines the requirements of the HOME-ARP program.
 Yes, I confirm.
2. Please describe the proposed development's integrated supportive housing approach to serve the target populations. Provide the number and percent of Integrated Supportive Housing Units proposed utilizing HOME-ARP and adhering to its requirements. Describe how the HOME-ARP units created in this project will serve the following HUD required Qualifying Populations:
 - a. Those who are homeless as defined under 24 CFR 91.5
 - b. Those who are at imminent risk of homelessness as defined in 24 CFR 91.5
 - c. Those who are fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, as defined by HUD.
 - d. Other populations where assistance would prevent the family's homelessness or serve those with the greatest risk of housing instability.

3. Please identify the per-unit cost of the HOME-ARP units in your project: _____
4. Describe the consultation and coordination between Developer, the Property Manager and the lead Supportive Service Coordination Agency that occurred prior to this application and planned to design the development in terms of matching unit mix (income and size) to the targeted population.

5. Describe the planned approach, relationship and coordination between the Property Manager and the lead Supportive Service Coordination Agency for lease up and ongoing services. Have these entities previously participated in an in-depth pre-lease up coordination process with these target population(s) in coordination with relevant community partners (e.g., CDA, DCHA, VASH, CE, etc.)? How will these entities work together to ensure a successful development well-integrated with the immediate neighborhood and community?

6. Describe the planned approach that the development team will utilize to engage with and center the voices of the Qualifying Populations in the design of the proposed development using trauma-informed design?

7. Describe the development team's experience using a Housing First approach to supportive housing?

8. Please submit a Support Service Plan with your application. This plan should highlight the following elements:
- a. **Operations Plan**
 - i. Affirmative Marketing Plan (must meet Affirmative Marketing Plan Standards).
 - ii. Tenant Selection Plan (must meet Tenant Selection Plan Standards and HOME-ARP guidelines, including a Housing First approach).
 - iii. Staffing needs (i.e. %FTE and ratio of staff per household, etc.).
 - iv. Lease up Coordination – detail how property management will work with the support service provider and partner agencies to seek referrals for vacant units.
 1. Describe the process for using Coordinated Entry to seek referrals of the prioritized qualifying population (households experiencing homelessness).
 2. Describe how property management will ensure that households who are unserved by Coordinated Entry but otherwise meet the HUD definition of the Qualifying Population will have access to HOME-ARP units through a waitlist.
 3. Describe the process to lease non-HOME-ARP units, if applicable.
 - v. Outreach Strategies – how the property will engage its residents in the supportive services offered.
 - vi. Resident Assessment – how will case managers assess the supportive service needs of individual residents.
 - vii. Support Service Coordination
 1. Description of the type(s) and level of supportive services offered.
 2. Describe what services are provided on-site.
 3. Identify partnerships, if any, with supportive service agencies that have been or will be formed to serve the target population. How will external services be accessed.
 - b. **Budget and Spending Plan:**
 - i. 5-year budget projection on support service costs and sources.
 - ii. Resource Management:
 1. How will funding required for providing services outlined in the plan will remain available over time.
 2. Identify how HOME-ARP service funds will be budgeted over-time.
 - iii. Spending Plan: a detailed explanation of how the supportive services funds will be spent and how that fits into the property's Supportive Services Plan.
 1. Specifically identify how HOME-ARP service funds will be spent.

The following attachments are included with this application:

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

- 1. A completed Application Budget Workbook, showing the City's proposed financial contribution and all other proposed financing via Worksheets 1-4 (Agency Overview, Capital, and Expenses, Proforma).
- 2. A detailed map of the site, for development proposals with an identified site,
- 3. A map using the AHF Affordable Housing Targeted Area Map, indicating the site in the context of the City.
- 4. A preliminary site plan and one to two renderings, if available.
- 5. A Capital Needs Assessment report of the subject property, or similarly detailed rehab phasing and cost report, if the proposal is for a rehabilitation project and if the report is available at the time of application.
- 6. A recent market study or informal analysis, if available at the time of application.
- 7. For rental development proposals with more than one owner, a Project Organizational Chart, including ownership interest percentages.
- 8.a. Tenant Selection Plan consistent with the City's Standards outlined in Attachment B-1, if one is available at time of application.
- 8.b. Affirmative Marketing Plan consistent with the CDD's AMP Standards outlined in Attachment B-2, if one is available at time of application.

If the following items are not available at the time of initial application, submittal will be required at the following future date:

Application Item	Due Date
Preliminary Site Plan	A week prior to Development Assistance Team (DAT)
Capital Needs Assessment	Supplemental Application
Market study/Analysis <i>(Required for new construction proposals seeking HOME funds)</i>	Supplemental Application
Proposals with an Undetermined Site, Questions 33-65	Supplemental Application

APPLICANT & PROJECT NAME:

Small Scattered Site Homeless Housing Program

2. CAPITAL BUDGET

Enter ALL proposed project funding sources.

FUNDING SOURCES

Source	Amount	Amortizing	Rate (%)	(Years)	Period	Service
Permanent Loan-Lender Name:						
Lake Ridge Bank						
Subordinate Loan-Lender Name:						
Subordinate Loan-Lender Name:						
Tax Exempt Loan-Bond Issuer:						
FHLB-AHP Loan	\$ -					
City Loan Request (AHF/HOME)	\$ 600,000					
City-Loan HOME-ARP (Development Funds)	\$ -					
City-Loan Request (TIF)	\$ -					
Other-Specify Lender/Grantor:						
Other-Specify Lender/Grantor:						
Other-Specify Lender/Grantor:						
Historic Tax Credit Equity						
Deferred Developer Fees						
Owner Investment						
Other-Specify:						
Total Sources	\$ 600,000					

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

Remarks Concerning Project Funding Sources:

Approval

APPLICANT:

Small Scattered Site Homeless Housing Program

3. PROJECT EXPENSES

Enter the proposed project expenses

Acquisition Costs	Amount
Land	\$0
Existing Buildings/Improvements	
Other (List)	
	\$0

Construction:	
Construction/Rehab Costs	\$465,000
Construction Profit	\$0
Construction Overhead	\$40,000
General Requirements	\$12,000
Construction Supervision	\$19,300
FF&E/Personal Property	\$0
Demolition	\$0
Site Work	\$0
Landscaping	\$700
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:

Architectural & Engineering	
Architect - Design	\$15,000
Architect - Supervision	\$20,000
Engineering	\$10,000
Other (List)	
	\$0

Interim/Construction Costs	
Builder's Risk/Property Insurance	\$0
Construction Loan Interest	\$0
Construction Loan Origination Fee	\$0
Real Estate Taxes	\$0
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	\$1,000
Market Study	\$0

Environmental Reports	\$0
Survey	\$600
Permits	\$3,000
Lease-Up Period Marketing	\$0
Accounting/Cost Certification	\$0
Title Insurance and Recording	\$1,000
Relocation	\$0
FF&E	\$0
Capital Needs Assessment (if rehab)	\$400
Legal	\$2,000
Other (List)	
	\$0
Fees:	
Bridge Loan Fees	\$0
Organizational Fees	\$0
Syndication Fees	\$0
Total Development Fee	\$10,000
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:	\$600,000

APPLICANT:

Small Scattered Site Homeless Housing Program

4. PROJECT PROFORMA

Enter total Revenue and Expense information for the proposed project for a 30 year period.

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Gross Income	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000
Less Vacancy/Bad Debt	0	0	0	0	0	0	0	0	0	0	0
Income from Non-Residential Use*	0	0	0	0	0	0	0	0	0	0	0
Total Revenue	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000
Expenses:											
Office Expenses and Phone	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Real Estate Taxes	5,300	5,300	5,300	5,300	5,300	5,300	5,300	5,300	5,300	5,300	5,300
Advertising, Accounting, Legal Fees	500	500	500	500	500	500	500	500	500	500	500
Payroll, Payroll Taxes and Benefits	0	0	0	0	0	0	0	0	0	0	0
Property Insurance	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Mtc, Repairs and Mtc Contracts	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Utilities (gas/electric/fuel/water/sewer)	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Property Mgmt	0	0	0	0	0	0	0	0	0	0	0
Operating Reserve Pmt	0	0	0	0	0	0	0	0	0	0	0
Replacement Reserve Pmt	0	0	0	0	0	0	0	0	0	0	0
Support Services	0	0	0	0	0	0	0	0	0	0	0
Other (List)											
	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0
Total Operating Expenses	15,800	15,800	15,800	15,800	15,800	15,800	15,800	15,800	15,800	15,800	15,800
Net Operating Income	50,200	50,200	50,200	50,200	50,200	50,200	50,200	50,200	50,200	50,200	50,200
Debt Service:											
First Mortgage	300,000	290,000	280,000	270,000	260,000	250,000	240,000	230,000	220,000	210,000	200,000
Second Mortgage	0	0	0	0	0	0	0	0	0	0	0
Other (List)											
	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0
Total Debt Service	2,201	2,201	2,201	2,201	2,201	2,201	2,201	2,201	2,201	2,201	2,201
Total Annual Cash Expenses	18,001	18,001	18,001	18,001	18,001	18,001	18,001	18,001	18,001	18,001	18,001
Total Net Operating Income	47,999	47,999	47,999	47,999	47,999	47,999	47,999	47,999	47,999	47,999	47,999
Debt Service Reserve	0	0	0	0	0	0	0	0	0	0	0
Deferred Developer Fee	0	0	0	0	0	0	0	0	0	0	0
Cash Flow	47,999	47,999	47,999	47,999	47,999	47,999	47,999	47,999	47,999	47,999	47,999

Year 12	Year 13	Year 14	Year 15	Year 16
66,000	66,000	66,000	66,000	66,000
0	0	0	0	0
0	0	0	0	0
66,000	66,000	66,000	66,000	66,000

2,500	2,500	2,500	2,500	2,500
5,300	5,300	5,300	5,300	5,300
500	500	500	500	500
0	0	0	0	0
1,000	1,000	1,000	1,000	1,000
4,000	4,000	4,000	4,000	4,000
2,500	2,500	2,500	2,500	2,500
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0

0	0	0	0	0
0	0	0	0	0
15,800	15,800	15,800	15,800	15,800
50,200	50,200	50,200	50,200	50,200

190,000	180,000	170,000	160,000	150,000
0	0	0	0	0

0	0	0	0	0
0	0	0	0	0
2,201	2,201	2,201	2,201	2,201
18,001	18,001	18,001	18,001	18,001
47,999	47,999	47,999	47,999	47,999
0	0	0	0	0
0	0	0	0	0
47,999	47,999	47,999	47,999	47,999

APPLICANT:

3. PROJECT PROFORMA (cont.)

Enter total Revenue and Expense information for the proposed project for a 30 year period.

	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25	Year 26	Year 27
Gross Income	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000
Less Vacancy/Bad Debt	0	0	0	0	0	0	0	0	0	0	0
Income from Non-Residential Use*	0	0	0	0	0	0	0	0	0	0	0
Total Revenue	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000
Expenses:											
Office Expenses and Phone	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Real Estate Taxes	5,300	5,300	5,300	5,300	5,300	5,300	5,300	5,300	5,300	5,300	5,300
Advertising, Accounting, Legal Fees	500	500	500	500	500	500	500	500	500	500	500
Payroll, Payroll Taxes and Benefits	0	0	0	0	0	0	0	0	0	0	0
Property Insurance	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Mtc, Repairs and Mtc Contracts	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Utilities (gas/electric/fuel/water/sewer)	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Property Mgmt	0	0	0	0	0	0	0	0	0	0	0
Operating Reserve Pmt	0	0	0	0	0	0	0	0	0	0	0
Replacement Reserve Pmt	0	0	0	0	0	0	0	0	0	0	0
Support Services	0	0	0	0	0	0	0	0	0	0	0
Other (List)											
	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0
Total Expenses	15,800	15,800	15,800	15,800	15,800	15,800	15,800	15,800	15,800	15,800	15,800
Net Operating Income	50,200	50,200	50,200	50,200	50,200	50,200	50,200	50,200	50,200	50,200	50,200
Debt Service:											
First Mortgage	140,000	130,000	120,000	110,000	100,000	90,000	80,000	70,000	60,000	50,000	40,000
Second Mortgage	0	0	0	0	0	0	0	0	0	0	0
Other (List)											
	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0
Total Debt Service	2,201	2,201	2,201	2,201	2,201	2,201	2,201	2,201	2,201	2,201	2,201
Total Annual Cash Expenses	18,001	18,001	18,001	18,001	18,001	18,001	18,001	18,001	18,001	18,001	18,001
Total Net Operating Income	47,999	47,999	47,999	47,999	47,999	47,999	47,999	47,999	47,999	47,999	47,999
Debt Service Reserve	0	0	0	0	0	0	0	0	0	0	0
Deferred Developer Fee	0	0	0	0	0	0	0	0	0	0	0
Cash Flow	47,999	47,999	47,999	47,999	47,999	47,999	47,999	47,999	47,999	47,999	47,999

Year 28	Year 29	Year 30
66,000	66,000	66,000
0	0	0
0	0	0
66,000	66,000	66,000

2,500	2,500	2,500
5,300	5,300	5,300
500	500	500
0	0	0
1,000	1,000	1,000
4,000	4,000	4,000
2,500	2,500	2,500
0	0	0
0	0	0
0	0	0
0	0	0

0	0	0
0	0	0
15,800	15,800	15,800
50,200	50,200	50,200

30,000	20,000	10,000
0	0	0

0	0	0
0	0	0
2,201	2,201	2,201
18,001	18,001	18,001
47,999	47,999	47,999
0	0	0
0	0	0
47,999	47,999	47,999

AHF City Interest Loan

600,000	0	0	0	0	0	0	0	0	0	0
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*Including commercial tenants, laundry facilities, vending machines, parking spaces, storage spaces or application fees.

DCR Hard Debt

0.17	0.17	0.18	0.19	0.19	0.20	0.21	0.22	0.23	0.24	0.25
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DCR Total Debt

0.08	22.81	22.81	22.81	22.81	22.81	22.81	22.81	22.81	22.81	22.81
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Assumptions

Vacancy Rate

0.0%

Annual Increase Income

0.0%

Annual Increase Expenses

0.0%

Other

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*Please list all fees (per unit per month) and non-residential income:

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0	0	0	0	0
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0.26	0.28	0.30	0.31	0.33
22.81	22.81	22.81	22.81	22.81

AHF City Interest Loan

0	0	0	0	0	0	0	0	0	0	0
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*Including laundry facilities, vending machines, parking spaces, storage spaces or application fees.

DCR Hard Debt

0.36	0.39	0.42	0.46	0.50	0.56	0.63	0.72	0.84	1.00	1.26
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DCR Total Debt

22.81	22.81	22.81	22.81	22.81	22.81	22.81	22.81	22.81	22.81	22.81
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Assumptions

Vacancy Rate

0.0%

Annual Increase Income

0.0%

Annual Increase Expenses

0.0%

Other

--

0	0	0
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1.67	2.51	5.02
22.81	22.81	22.81

2024 Affordable Housing Non-Tax Credit RFP

Supplemental Application Questions

Catalyst 4 Change Small Scattered Site Homeless Housing

Response Submission Due Date: July 22, 2024 NOON

Instructions 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. Please use this Word document to record your answers and return this completed document to mfrater@cityofmadison.com. We ask that you refrain from submitting additional documentation not specifically requested at this time or using alternative formats.

Questions:

1. What date do you intend to close on the property?

We intend to close on the property in early to mid-August 2024.

2. Describe the relocation plan for existing tenants. Have you budgeted other sources for relocation costs, or other assistance for them in acquiring comparable new housing?

We will attempt to complete work in a manner that does not require any tenants to be relocated for significant periods of time. However, we have budgeted \$15,000 for hotel stays and food if the need arises and we need to relocate tenants for short-term periods. Our intention is that the work will not require tenants to be relocated, and we will work with tenants' schedules.

3. Please provide a Capital Needs Assessment and scope of work, including estimate of the new construction component.

We attempted to complete a Capital Needs Assessment; however, the assessors' timelines were not aligning with the deadline for these responses. We have attached the Appraisal of the property which was completed by an independent appraiser. The document answers many of the same questions needed for a Capital Needs Assessment. In the appraisal there are income estimates as well as pictures of the interior and exterior of the property are included along with comparable properties. We will schedule a walkthrough with a contractor to establish the cost of our additions, updates, and repairs.

4. Describe the final cost estimate of you submitted budget, and the feasibility of bringing the home up to minimum code, building an addition, and new construction of garage and ADU for the current estimated cost.

The final cost estimate is \$600,000. We will use \$305,000 to acquire the property so it can remain supportive housing and not be sold to a developer. We will then use the remaining \$295,000 to bring the building up to code and add a garage with a two-bedroom unit on top of it. Based on our discussions with local contractors and our market research, we believe we will be able to complete the work we have envisioned for this property within our budget of \$295,000. The price of building a detached garage with an additional dwelling unit

5. Have you walked the property with a contractor, and has an inspection been completed on the property?

An inspection was completed on July 10, 2024. We have not walked the property with a contractor at this point. We are working to get this scheduled in August.

6. Lake Ridge Bank is listed as a lender, with no loan amount listed. What is the amount of additional debt planned to help fund rehabilitation and new construction?

Lake Ridge Bank will lend Catalyst 4 Change \$305,000.00 for the purchase of the property.

7. Confirm the per-unit cost estimates:

Amount requested: \$600,000

Breakdown of \$600,000:

- a. Total repayment of loan: \$305,000
- b. Total Rehab: \$295,000
 - i. Addition to unit 1: \$40,000
 - ii. Garage/ADU Construction: \$240,000
 - iii. Budget for relocating tenants: \$15,000

8. Attach a copy of the proposed Tenant Selection Plan for this development, ensuring that it meets the TSP Standards outlined in Attachment B-1 of the RFP.

Attached to email.

9. Attach a copy of the proposed Affirmative Marking Plan for this development, ensuring that it meets the AMP Standards as outlined in Attachment B-2 of the RFP.

Attached to email.