



Waukesha County CDBG Program
Program Administrator
515 W. Moreland Blvd.
Waukesha, WI 53188
1.262.896.3370 (direct)
1.262.896.8510 (fax)

**The HOME Consortium
Board of Directors Meeting
Thursday, February 17, 2022 at 9:00 A.M.**

This meeting will be held via the Microsoft Teams application and will be open to the public.
Interested members of the public are encouraged to participate in the meeting via telephone.

To join the meeting:

- Dial 414-435-2078
- Enter the Access Code:868 088 697

AGENDA

1. Call to Order
2. Pledge of Allegiance
3. Approval of the Minutes from the January 20, 2021 Board Meeting
4. Public/Staff Comment
5. Financial Status Report
6. Impact 7 Housing Development Application
7. DPA amount increase for 2022
8. Homeowner rehabilitation amount increase for 2022
9. Funding amount per unit increase for 2022
10. Adjournment

The next HOME Board meeting is scheduled for Thursday, March 17, 2022

All agenda items are potentially actionable

In accordance with the Americans with Disabilities Act, persons requiring any means of handicap accessibility for this meeting must contact Kristin Silva at 896-3370 (FAX 896-8510) at least 48 hours prior to meeting.

Minutes of the
HOME Board Meeting
January 20, 2022

Members Present: Joseph Birbaum, Christine Howard, John Kannard, Russell Kutz, Kathleen Schilling, Jay Schreurs, Duane Paulson, Peter Sorce, Karl Zarling, Maria Watts

Members Absent: Jay Shambeau, Roger Lindl

Staff: Kristin Silva, Michelle Gudynowski, Debbie Narus and Christina Brockish; Waukesha County

Guests:

- I. The meeting was called to order by Duane Paulson, Board Chairperson, with a quorum of the Board present at 9:00 a.m. via Microsoft Teams Meeting. The public could call 414-435-2078, Conference ID# 700 483 876 to attend the meeting.
- II. The Board Chair led the Pledge of Allegiance.
- III. On a motion by Christine Howard and seconded by John Kannard, the minutes from the October 21, 2021, HOME Board meeting were unanimously approved.
- IV. Kristin Silva introduced Michelle Gudynowski to the HOME Board.
- V. The financial status report was reviewed. Kristin Silva expressed there is a fair amount of funds leftover from the 2021 year. Kristin and Michelle will work on updating the spreadsheets to complete the year end close out process with the County.
- VI. Representatives from Impact 7 were not able to attend meeting. It was requested that this item be put on the next HOME Board meeting in February.
- VII. On a motion by Kathleen Schilling and seconded by Joe Birbaum, the Board unanimously approved the HOME Board 2022 Executive Committee.
 - John Kannard – Chairperson
 - Jay Schreurs – Vice Chairperson
 - Peter Sorce – Secretary
 - Christine Howard – Treasurer
- VIII. Kristin Silva discussed the HOME-ARP Consultant process. HUD requires that Waukesha County develop a HOME-ARP Allocation Plan. Kristin asked for quotes from four consultants and two were local agencies. One was booked until end of summer and the other did not respond. As for the two remaining, Mosaic and Huron Consulting were interviewed. Mosaic gave two options in their quote; the first was \$20,000, which included some in-person meetings, and the second was \$16,000 for all virtual meetings. Huron's bid was \$28,000, which included some in-person meetings. Staff recommended the Board choose Mosaic, both for the lower price, and because the County has worked with them in the past and they produced a very nice product.

On a motion by Joe Birbaum and seconded by John Kannard, the Board unanimously approved Mosaic as the HOME-ARP Consultant.

IX. On a motion by John Kannard and seconded by Christine Howard, the Board unanimously approved the meeting adjourned at 9:26 a.m.

Respectfully submitted,

Duane Paulson
Chair, HOME Board

December-21					
Core Program Reservations					
	2021 Allocation	Current Month Reservations	Current Month Loans/YTD Loans	2021 YTD Reservations	Funds Available
DPA	\$300,000.00		0/13	\$94,830.00	\$205,170.00
Purch/Rehab	\$175,000.00		0/3	\$59,361.00	\$115,639.00
Rehab	\$825,000.00		0/16	\$245,743.00	\$579,257.00
HOME Project Actuals					
Year	Project	Amount Awarded	Amount Expensed	Amount Remaining	
Core Programs					
2021 DPA		\$ 348,433.00	\$ 115,823.72	\$ 232,609.28	
2021 P/R		\$ 278,976.53	\$ 182,507.79	\$ 96,468.74	
2021 Rehab		\$ 785,478.16	\$ 107,553.03	\$ 677,925.13	
Total Committed Core Programs				\$ 1,007,003.15	
Admin Funds					
2020 Lutheran Social Services - TBRA Admin		\$ 44,343.00	\$ 17,339.46	\$ 27,003.54	
2021 Administration		\$ 164,799.00	\$ 73,832.94	\$ 90,966.06	
Unallocated Prior Year Admin				\$ 116,727.49	
Total Committed Administration				\$ 117,969.60	
Development Projects					
2021 Independence Village - Residential Care Apartments		\$ 561,000.00	\$ 561,000.00	\$ -	
2021 Habitat for Humanity - 914 N. Grandview Blvd.		\$ 100,000.00	\$ 90,000.00	\$ 10,000.00	
2018 Horizon Development - Spring Harbor		\$ 440,000.00	\$ 440,000.00	\$ -	
2018 Impact Seven -Lakeview Terrace Mukwonago		\$ 63,760.70	\$ -	\$ 63,760.70	
2018 White Rock MF, LLC - Frame Park Commons		\$ 561,000.00	\$ 561,000.00	\$ -	
Unallocated Housing Development Projects				\$ 333,191.00	
Total Committed Development Projects				\$ 73,760.70	
TBRA					
2020 Lutheran Social Services - Tenant Based Rental Assistance		\$ 295,637.00	\$ 144,414.42	\$ 151,222.58	
2021 TBRA		\$ 300,000.00		\$ 300,000.00	
Total Committed TBRA				\$ 151,222.58	
CHDO					
2018 Impact Seven - Lakeview Terrace Mukwonago		\$ 336,239.30	\$ 320,000.00	\$ 16,239.30	
CHDO Reserve		\$ 434,397.65		\$ 434,397.65	
Total Committed CHDO				\$ 16,239.30	
Unallocated Entitlement					
Unallocated		\$ 1,332,428.93		\$ 1,332,428.93	

Reallocated to Unallocated

Waiting for final Village approval

Waiting for final Village approval

Total Amount Committed **\$ 1,366,195.33**

Entitlement & PI Available to Draw in IDIS	\$ 3,033,539.70
Admin Available to Draw in IDIS	\$ 490,436.10
CHDO Available to Draw in IDIS	\$ 425,315.20
TBRA Available to Draw in IDIS	\$ 311,161.92
Available in IDIS	\$ 4,260,452.92
Amount Expensed but not Drawn in IDIS	\$ 938,512.52
Total Amount Available in IDIS	\$ 3,321,940.40



HOUSING APPLICATION

APPLICANT INFORMATION

Applicant's Legal Name: Impact Seven, Inc.

Address: 2961 Decker Dr., Rice Lake, WI 54868

Contact Name and Title: Kate Sullivan, Real Estate Coordinator

Telephone: (608) 575-4178

FAX () _____

E-Mail: kate.sullivan@impactseven.org

Federal Identification Number: 39-1141037

Date Incorporated 07 / 20 / 1970

DUNS Number: 068180793

Debarment: Is / has the applicant organization been barred from doing business with either the State of Wisconsin or the Federal Government, or is any such action pending? ☐ Yes ☒ No (If yes, please indicate the reason(s) for the debarment and the date(s) your firm was debarred in the space below):

CHDO: Is the applicant organization a CHDO? ☒ Yes ☐ No If yes, please provide information required for CHDO certification for this project (see instructions). If you are requesting CHDO Operating Funds, refer to application instructions.

Project Summary

BRIEF DESCRIPTION OF THIS PROJECT: Woodside Prairie is a proposed newly constructed 32 unit LIHTC family rental housing development centrally located in the Village of Grafton, WI. The proposed development will consist of the construction of four (4) 6-unit buildings (total of 24 SROs) and eight (8) 2-bedroom townhome-style apartments. The 24 SROs will target autistic adults at 30% AMI and the remaining 8 units target the 'general' population at or below 60% AMI. We propose adding a HOME restriction for 11 units at 30% AMI. Financing is provided via WHEDA's new Innovative Housing Set-Aside within the 9% tax credit program, WHEDA permanent financing, WHEDA Housing Trust Funds, 9% tax credit equity and the requested HOME award of \$661,000. The project aligns with the rental project preferences outlined on page 5 of the HOME Consortium 2015-2019 HOME Funds Framework for Housing Development Projects by 1) providing affordable housing to 24 autistic adults with incomes less than 50% area median income, and; 2) creates permanent housing with formal arrangements for supportive services.			
ADDRESS OF PROJECT: Hunters Lane (address assignment pending)		Grafton WI 53024	
AMOUNT OF FUNDS REQUESTED FROM WAUKESHA COUNTY	\$561,000	TOTAL PROJECT COST	\$8,462,427
NUMBER OF UNITS TO BE ADDED		32	

PROJECT SCOPE (20 Points Maximum)

Project Name:

Woodside Prairie

Project Address: Hunters Lane, Grafton WI 53024 (parcel #: 100191300500) Address assignment pending

Project County:

- ☐ Waukesha
☐ Jefferson
☐ Washington
☒ Ozaukee

Project Type (Check One):

- ☐ New Construction (For Sale)
☒ New Construction (Rental)
☐ Acquisition/Rehabilitation (For Sale)
☐ Acquisition/Rehabilitation (Rental)
☐ Other (describe) _____

Please provide a brief description of your project:

The \$8,462,427 project is a new (32) unit supportive housing community proposed for Grafton, WI to serve autistic adults. The project was catalyzed by a consortium of parents in the Milwaukee area whose families include now-adult children with autism. The parents noted that their ability to provide meaningful and effective supports will wane as they grow older, and the want to ensure that families like theirs have a safe, supported and professionally managed housing community for where their adult children might live.

The model is organized around an agricultural cooperative that includes both residents with autism as well as residents from the 'general' population. The development will consist of (7) total buildings: (4), 6-unit cooperative-style buildings for the residents with autism; (2) 4-unit townhome-style apartments for residents drawn from the general population; and (1) shared activity building available to all the residents and sized and configured to allow for group programming, exercise, crafts, and other social engagement.

Provide a list of any partners who are working with you on this project:

The residents with autism will be supported via 24/7 supportive services provided by the Milwaukee Center for Independence (MCFI). The Woodside parents have additionally organized Woodside Prairie, Inc. (WPI), an independent 501(c)(3) that will coordinate the service delivery and serve as the interface to Impact Management, who will manage the property. Staff for both MCFI and WPI will be paid via IRIS funds, which originate federally and are distributed to eligible individuals by state government. The Woodside residents will all pay rent, which will pay for Impact Management operating expenses and debt service.

When will the project get underway? / /
When will it be completed? / / Expected
Occupancy Date: / /

Summer 2022 - Construction begins
December 2023: Begin lease-up
May 2023: Stabilized occupancy and conversion

What percent of the housing units in your rental project are affordable to households (non-elderly) making less than 50% of the area median income?

A. Number of units for households making less than 50% of area median income	24
B. Total Units	32
Percent (A/B)	75%

Are any of the units in your project public housing replacement units through an agreement with the local Housing Authority?

☐ Yes

☒ No

Is your project a mixed use development (example: housing and commercial)?

☐ Yes

☒ No

Will your project incorporate the Star Home Program requirements or another documented energy savings program that provides guaranteed EPA Energy Star Certification of the finished housing units?

☒ Yes

☐ No

What percent of the proposed units are designed to be fully handicapped accessible as defined in Federal and State guidelines?

A. Number of fully accessible units	24
B. Total Units	32
Percent (A/B)	75%

Describe how you will ensure that the project meets housing and code standards, including lead hazards:

The project will be designed and supervised by an architect knowledgeable in these standards. The architect will review the extent to which the project meets applicable housing and code standards, including lead hazards to comply with current standards as required and necessary.

Answer these questions ONLY for residential rental projects

Provide the following information about specific units in a RENTAL project:

For rental housing and rental assistance, at least 90 percent of benefiting families must have incomes that are no more than 60 percent of the HUD-adjusted median family income for the area. In rental projects with five or more assisted units, at least 20 percent of the units must be occupied by families with incomes that do not exceed 50 percent of the HUD-adjusted median.

Rental Project				
Number of Units	Income Category	Monthly Unit Rent	Includes Utilities?	Amount of HOME Per Unit
11 (of 32 total)	Below 30% CMI	\$443	No	\$51,000
	30.1% -- 50% CMI			
	50.1% -- 60% CMI			
	60.1% -- 80% CMI			

Describe briefly your tenant selection criteria and process.

Impact Management, a subsidiary of Impact Seven, will be responsible for all functions associated with operating the subject property, including tenant selection. Affirmative marketing practices will be utilized to reach as many eligible applicants as possible with the focus of marketing to groups identified as least likely to apply without special outreach efforts in accordance with an approved Fair Housing Marketing Plan. Applications will be available at the on-site management office and will be mailed upon request, from the project's Caretaker/site manager and on the Impact Seven web page. Completed applications will be kept at the management office.

The applicant's annual household income must not exceed program income limits as published by WHEDA for Ozaukee County in accordance with unit targeting. Income limits are based on household size and the annual income the household receives. All adults in each applicant household must sign an "Authorization for Release of Information" at time of application and annually thereafter so that Management can verify sources of income and household size. The unit for which the family is applying must be the household's only residence. The development shall be rented and occupancy maintained on a first-come, first-served basis. The initial application shall be timed and dated when received, and Management shall maintain at the rental office a chronological list of all applicants. Applicants shall be offered housing (after meeting all selection criteria requirements including the verification process), placed on the waiting list, or rejected. When an appropriate unit is available, the waiting list shall be reviewed to identify the applicant who meets preference criteria or whose name is chronologically at the top of the list.

The following factors shall be considered in screening applicants for occupancy: Meets income eligibility qualifications; Demonstrated ability to meet financial obligations and to pay rent on time; Ability to maintain (or with assistance would have the ability to maintain) the housing in a decent and safe condition based on living or housekeeping habits and whether such habits adversely affect the health, safety or welfare of the household and other residents in the community; Ability to meet all obligations of tenancy; No current use or history of using illegal drugs or current use or history of abusing alcohol in a way that may interfere with the health, safety or right to peaceful enjoyment of others; No history of felony or misdemeanor convictions by any household member involving crimes of physical violence against persons or property, fraud, dishonesty and any other criminal activity including but not limited to drug-related criminal activity; No household members, including Live-in Aides, that have been evicted from housing within three years as a result of Drug-Related Criminal Activity; No household member has registered sex offender status.

Does the project include plans to provide supportive services to residents or links to appropriate services? If yes, please describe.

Residents with autism will be supported via 24/7 supportive services provided by the Milwaukee Center for Independence (MCFI). Woodside Prairie, Inc. (WPI), an independent 501(c)(3) will coordinate the service delivery and serve as the interface to Impact Management, who will manage the property. Staff for both MCFI and WPI will be paid via IRIS funds, which originate federally and are distributed to eligible individuals by state government.

Consolidated Plan Priorities

Select the appropriate activity category below for your project. Items are listed in order of the HOME Board's 2015—2019 preferences.

<input checked="" type="radio"/>	Development of new affordable rental housing
<input type="radio"/>	Development of new affordable single family owned housing
<input type="radio"/>	Rehabilitation of single family owned housing
<input type="radio"/>	Rehabilitation of rental housing

Analysis of Impediments

Indicate how your agency is working to alleviate impediments identified in the 2015-2019 Analysis of Impediments to Fair Housing Choice.

Increase Knowledge of Fair Housing (check all that apply)

- ☒ Agency staff attends fair housing seminars or educational opportunities.
- ☒ Agency provides education or training for rental property owners and managers on the requirements of the Fair Housing Act, the definitions of protected classes, discriminatory practices, and potential consequences for non-compliance.
- ☒ Agency provides education or training to tenants on their rights under the Fair Housing Act.

Create Balance between Job Centers and Affordable Housing Options (check all that apply)

- ☐ Project is located in high opportunity community near a job center.
- ☐ Project is located in low or moderate income census tract.

Improve NIMBY/Prejudiced Attitudes (check all that apply)

- ☒ Agency develops and integrates appropriate diversity awareness information into staff and organizational development training.
- ☒ Agency creates and disseminates information regarding what affordable, workforce and mixed-income housing is and what economic benefits they offer to the community, via printed materials, training sessions, website education or other methods.
- ☒ Agency participates in regional housing initiatives and collaborative efforts.

Offer Housing Options for People with Disabilities and the Aging Population

- ☒ Project creates housing for people with disabilities or the elderly.
- ☒ Project has construction design concepts such as universal design (UD) or visit-ability standards and features.

Market Study

Attach a market study for this project as Appendix 1. This market study should be consistent with the type and size of project you are applying for. Provide data and information to demonstrate that your project is feasible and that there is a market for the type of housing you are producing.

SITING AND DESIGN (15 Points Maximum)

Project Design

Please submit design information as Appendix 2. Include such things as a scaled site plan, and building elevation and floor plan drawings to document the design characteristics of the proposed development.

Project Amenities

Provide a list of any amenities or special design features of the housing to be developed.

The Woodside Prairie model is organized around a model of an agricultural cooperative and includes (4) 6-unit co-op style buildings and a centralized community kitchen for the residents with autism. Each unit includes either one (SRO) or two bedrooms and one bathroom. The SROs are designed to support the unique behavioral characteristics of the autistic population and maintain a safe living environment. The program includes 24/7 support services and dedicated support service offices in each of the (4) 6-unit buildings for the residents with autism.

The SRO units will be furnished with a dresser, desk, central air, window blinds and a ceiling fan. The (8) two bedroom townhome-style units for the 'general' population will include a refrigerator, range, oven, dishwasher and disposal, in-unit washer/dryer, central air, window blinds, ceiling fan and cable TV/computer internet hookups.

Site amenities include a community building with a kitchen and group activity area, picnic area, walking trail, community garden, security locked buildings, garage parking stalls, bike storage, surface parking and on-site management.

Readiness to Proceed

Do you have site control?

☒ Yes

☐ No

Form of Site Control:

☐ Option

☐ Accepted Offer

☐ Fee Simple

☒ Other: Ground lease

Is the site zoned for this development?

☒ Yes

☐ No

If no, is site currently in process of rezoning? ☐ Yes ☒ No

When will the zoning issue be resolved? _____

Explain:

May 4, 2020: Village Board adopted ordinance to rezone 6.515 acres of land (Parcel 10-019-13-005-00) located west of Port Washington Road on the north side of Hunter's Lane from A-3 Agricultural Holding to MFR-1 Medium Density Multi- Family Residential.

Location:

- Describe the site in terms of its accessibility to social, recreational, educational, commercial, health facilities and services, and other municipal facilities and services, or any other beneficial aspects of the site. Discuss why this location is desirable for your project. Please note if the project is in a "high opportunity" community as noted in on Map 1, PROJECTED JOB/HOUSING IMBALANCES IN SEWERED COMMUNITIES IN THE SOUTHEASTERN WISCONSIN REGION, which can be found on the Community Development Website at http://www.waukeshacounty.gov/uploadedFiles/Media/PDF/Parks_and_Land_Use/Community_Development/Apply_for/Job%20and%20Housing%20Imbalances.pdf

The 6.52-acre site is primarily covered by grassland and woodlands. The site is within 1 mile of a public library, parks and schools, as well as a full service grocery store, pharmacy, bank, and restaurants. The Village Hall is within 2 miles of the site, a medical clinic is within 0.5 miles and a shopping center is less than 0.3 miles away. The site is well-integrated into an established residential neighborhood with good access to services along with the services and amenities programmed into the development itself.

In addition, Concordia University is within 5 miles of the site and offers a two year post-secondary certificate program through its Ableight College for students with intellectual and developmental disabilities. Concordia also offers a Special Education degree in Autism Spectrum Disorders, which will provide opportunities for students to engage with residents through internships, employment and volunteer activities.

Map 1, Projected Job/Housing Imbalances in Sewered Communities in the Southeastern Wisconsin Region: 2035 indicates Grafton to be a high opportunity community resulting from a shortage of lower-cost housing compared to lower-wage jobs and a shortage of moderate-cost housing compared to moderate-wage jobs.

Adverse Conditions:

Describe any adverse conditions or other challenges this site may face, including any environmental issues, proximity to existing or proposed freeways, flooding issues, or proximity to odors or pollution from industrial issues. Note that projects funded with this grant are subject to environmental review.

The Village of Grafton confirmed that the site is not within any mapped flood zones as of August 2021.

A Phase I Environmental Assessment was conducted in 2019 and concluded no record of recognized environmental conditions in connection with the property.

No freeways are planned near the site which is located along Hunter's Lane, approximately 0.2 miles west of the intersection of Hunter's Lane and North Port Washington Road.

The site is not in proximity to odors or pollution from industrial uses.

AFFORDABILITY (10 Points Maximum)**Population to be served** (Check all applicable):

- ☒ Family
☐ Elderly
☐ Special Needs

Income Levels

What income levels will be served with this project?

Income Level	Number of Units
Households with income under 30% county median income	24
Households with income over 30% but under 50% county median income	
Households with income over 50% but under 60% county median income	8
Households with income over 60% but under 80% county median income	
TOTAL UNITS	32

Length of Affordability

Income and rent are limited during the period of affordability. All units funded with HOME funds are required to meet the minimum HOME affordability periods. What is your proposed period of affordability? How will you ensure long term affordability?

15 years. Affordability will be maintained via a 30 year Ground Lease for the 24 SRO units for adults with autism. The Ground Lease was recorded with Ozaukee County in December 2021.

FINANCIAL FEASIBILITY (25 Points Maximum)**Sources of Funds**

Please indicate the sources of funds available for your project in the spreadsheet below (double click on the table to enter information). If funds are secure, provide documentation as Appendix 3.

Sources of Funds	Amount	Type of Funds	Funds Secure (yes or no)
WHEDA Permanent Financing	282,039	Loan	Yes
WHEDA Housing Trust Funds	500,000	Grant	Yes
9% Tax Credit Equity	7,119,288	Equity	Yes
MM Equity	100	Equity	Yes
Waukesha County HOME/CDBG	\$561,000	Grant	No
TOTAL FUNDS	8,462,427		

Uses of Funds

Please indicate the Uses of Funds for your project in the table below:

Uses of Funds	Amount
Acquisition	\$1,351
Construction/Rehabilitation	6,274,753
Construction Contingency	328,728
Developer fee	538,841
Soft Costs:	
Financing (loan interest, etc.)	499,024
Insurance	45,000
Arch/Engr Reports	240,506
Property Taxes	0
Reserves	138,553
Other	69,000
Other Soft Costs	376,671
TOTAL USES OF FUNDS	\$ 8,462,427

Sources and Uses:

Do the Uses of Funds exceed the Sources of Funds?

☐ Yes

☒ No

If yes, please explain how the gap will be covered.

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Summary of Project Costs

Please provide the following information for your project:

Construction cost per unit	196,086
Soft cost per unit	51,526
TOTAL cost per unit	247,612
Percent of total funds secure at time of application	93.4%
Total developer fee for the project	538,841
Construction costs as a percent of total development cost	85.6%
Percent of HOME funds to total project funding	6.6%

Return of Funds

How will the requested funds be returned to the HOME Consortium as program income?

- ☐ 50% or more returned within 20 years of award
- ☐ Up to 49% returned within 20 years of award
- ☒ No return within 20 years of award
- ☐ Other, please describe:

Match

Every dollar of HOME funds used must be matched with at least 25 cents from nonfederal sources, which may include donated materials or labor, the value of donated property, proceeds from bond financing, and other resources. Please describe how your project will meet the minimum 25% federal match requirement:

Given Impact Seven's request for \$561,000, the 25% match equals \$140,250. The property and associated soft costs have been donated to the project by Riv and Alan Goldman. Please see attached letter from Riv Goldman for reference regarding land and associated soft cost contributions donated to the project to date.
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DEVELOPER CAPACITY (30 Points Maximum)

Organizational Experience

Describe the organization's housing development experience. Provide specific examples of projects your organization has completed that are similar to the one proposed here.

Impact Seven was founded in 1970 by Wisconsin residents in a seven-county area who were concerned with a waning economy and high poverty. Since then, the organization has grown into a well-established statewide community development corporation that organizes the resources and capacities of low-income communities to provide affordable housing and employment opportunities for residents. Today, Impact Seven is parent to 59 wholly-owned subsidiary corporations consisting of a total of 1,297 units of affordable housing. Projects are located across Wisconsin in rural communities, mid-sized metropolitan cities and urban Milwaukee neighborhoods. The list includes approximately 840 units set aside for elderly persons or persons with disabilities. Impact Seven has broad experience with a range of rental housing development types such as new construction, historic and adaptive reuse, mixed use, urban infill and rural development. Impact Seven seeks to develop rental communities that are sustainable from both a design and financial perspective.

In addition, Impact Seven is a CHDO in Milwaukee and for Wisconsin's "balance of state" communities, and has Exemplary status as one of 235 charter NeighborWorks America member organizations across the country, which gives Impact Seven access to grants, programmatic support, training and technical assistance for a broad range of community development initiatives. Impact Seven received Waukesha County HOME Consortium funds in 2018 for the acquisition, rehabilitation and preservation of two adjacent 14-unit buildings in Mukwonago.

Impact Seven's Property Management Department currently manages more than 1,500 units. These units are located in more than 100 distinct buildings across Wisconsin, ranging from rural northern Wisconsin to urban metropolitan Milwaukee. The Impact Seven property management team is highly qualified and experienced with the full array of income eligibility, accounting, reporting, maintenance and compliance requirements found in all major state and federal affordable housing programs, such as HUD HOME, Low-Income Housing Tax Credits and RD and HUD project-based rental assistance. Positions are specialized around specific components such as affirmative marketing procedures, income eligibility and tenant recertification. Housing staff receive regular training and attend both national and statewide conferences including the WHEDA state housing conference, annual meetings and events of the Wisconsin Council for Affordable and Rural Housing and NeighborWorks Training Institutes.

In 2019, Impact Seven completed a 50-unit new construction project and multi-purpose community center on city-owned land in Lacrosse, WI utilizing CDBG and AHP funds. Garden Terrace provides 15 units targeted to formerly homeless veterans; units affordable to households at 50% and 60% of the area median income; and eight market-rate units without rent restrictions.

In 2019, Impact Seven completed a 60-unit new construction project in Milwaukee utilizing WHEDA tax credits, HOME and AHP funds. Seven04 Place provides 14 supportive housing units targeting formerly homeless veterans at 30% of the area median income, 22 units at 50% area median income, 13 at 60% area median income, 2 at 80% and 9 market rate without restrictions.

In 2022, Impact Seven will complete a 126-unit new construction project in Middleton. The Trotta Apartments will provide 50 housing units affordable to households at 60% of the area median income via a Tax Increment Finance (TIF) agreement with the City of Middleton and 76 market-rate units without restrictions.

Developer Team Experience

Provide a list of organization staff members that will be involved in this project. Identify their role on this project and any past affordable housing development experience. Attach resumes for all staff as Appendix 4.

Brett Gerber, Chief Executive Officer: Mr. Gerber is responsible for furthering the organization's mission. He supervises five Vice President positions overseeing three primary program areas including Real Estate Development, Property Management and Business Development. Mr. Gerber reports to the Board of Directors to establish and maintain strategic direction, governance and management processes. As a CPA with eighteen years of experience in executive non-profit management, Mr. Gerber brings strong financial acuity to organizational administration and the vetting of its projects and investments. He has a Master's in Education from UW-Whitewater.

Michael Carlson, Vice President, Real Estate Development: Mr. Carlson provides leadership and direction for Impact Seven's Real Estate Development projects throughout Wisconsin and oversees the planning, implementation and monitoring of all aspects of multifamily residential and commercial development projects from inception to completion including design, budgeting, construction and deal structuring. Mr. Carlson has a Bachelor's from UW-Madison.

Kate Sullivan, Real Estate Development Coordinator: Ms. Sullivan conducts feasibility analyses of real estate development projects and assists in site selection and acquisition. She also prepares financing applications, provides design, budgeting, construction and deal structuring support, construction management and coordinates due diligence and compliance reporting. Ms. Sullivan has a Master's in Urban and Regional Planning from UW-Madison.

Lisa Barkelar, Vice President of Property Management: With over thirty years of experience in the management of multifamily rental housing portfolios and affordable housing funding source compliance, Ms. Barkelar leads Impact Seven's Property Management department and the overall management and operations of its portfolio totaling more than 1,500 housing units. With a degree in Sales, Marketing and Real Estate, Ms. Barkelar has earned numerous industry certifications including Certified Property Manager, HCCP/NCP designated for LIHTC and Certified Occupancy Specialist.

Jim Landreth, Director of Asset Management: Mr. Landreth brings 30 years of varied experience in finance, construction and architecture to Impact Seven's development team. Since 2010, Mr. Landreth has conducted analysis for a wide array of Impact Seven's real estate development activities, especially in underwriting and financial structuring of rural affordable housing preservation deals. Mr. Landreth has a Master's in Architecture from the University of Minnesota.

Caroline Loyas, Director of Resource Development: Ms. Loyas is responsible for researching, writing, and submitting grants and funding proposals to support business lending, microenterprise, affordable housing development, and other community economic development initiatives. She also interprets, implements and provides consultation to team members regarding the development of program compliance and operating policies related to funding source requirements.

Other Organizational Experience

Will the project create any challenges for the organization? If so, how will these be overcome?
Has your agency received HOME Consortium funding in the past? If so, describe the project funded and outcome.

Potential Challenges:

The project will not create challenges for the organization; rather Impact Seven views this project as integral to achieving its mission. Impact Seven typically pursues three to four new construction projects per year and has the staff, administrative and financial capacity to complete the project.

The bulk of funding has been secured through WHEDA, zoning is in place, site characteristics are favorable and the project team is currently in the design/development phase.

Past Experience using HOME funds:

Impact Seven has received 11 HOME awards in support of the following projects:

Robert Holmes Villa, \$220,000; new construction of 18 family units in Ashland.
Medford Affordable Housing, \$380,000; new construction of 22 family units in Medford.
Barron County Housing, \$450,000; acquisition, preservation and rehabilitation of 40 family units at three scattered sites in Barron County.
LBWN Rent-To-Own, \$158,075; acquisition/rehabilitation of 24 single family homes in Milwaukee.
Impact Milwaukee Rent-To-Own, \$47,000; acquisition/rehabilitation of 24 single-family homes in Milwaukee.
Franklin School Apartments, \$500,000; adaptive reuse and new construction of 20 family units in Rice Lake.
Artist Lofts, \$500,000; adaptive reuse of industrial building to 40 family units in Manitowoc.
Pine Meadow Apartments, \$368,500; acquisition, rehabilitation, preservation of 20 elderly/disabled units in Sullivan.
Garden Terrace Apartments, \$550,000; new construction of 50 family units, including 15 permanent supportive housing units targeting formerly homeless veterans in La Crosse.
Seven04 Place, \$300,000; new construction of 60 units, including 14 supportive housing units targeting formerly homeless veterans in Milwaukee.
Lakeview Terrace, \$550,000; acquisition, rehabilitation and preservation of two adjacent 14-unit affordable housing units for elderly/disabled persons in Mukwonago. Impact Seven received funds for this project as a certified CHDO.

Financial Capacity

Provide your most recent audited financial statements as Appendix 5.

Has you audit indicated any deficiencies or concerns in the last three year period?

☐ Yes

☒ No

If yes, please identify and explain:

There have been no audit deficiencies or concerns in the last three year period.

Provide a description of your organization's financial reporting systems. What internal controls are in place that minimize opportunities for fraud, waste and abuse? What is your Board's role in fiscal oversight? What accounting procedures are in place that will allow you to segregate HOME funds from other agency fund for purposes of identification, tracking and reporting?

When funding is awarded, the Director of Resource Development schedules a kickoff meeting with the Real Estate Development department, the VP of Finance, and other staff to establish written procedures specific to the funding source for compliance and reporting mechanisms, and assign responsibility for setup, accounting, compliance and reporting requirements specific to the award. The Senior Accountant develops a written plan for accounting for program funds, including assigning a segregated fund code to the award. The staff Real Estate Development Committee meets monthly, and the Board Real Estate Development Committee meets quarterly to review progress against goals, achievement of deliverables, identification and resolution of any problems, and at project completion, to facilitate a warm hand-off to Impact Seven's Property Management team.

All grants are assigned a unique project code and accounted for separately. Staff indicate on timesheets the project(s) they are working on, in quarter hour blocks, and code invoices with the appropriate funding source. The Senior Accountant ensures that payroll and invoices are charged to the proper funding source. The Real Estate Development department is responsible for submitting HOME draw requests and all required reporting through project completion.

Impact Seven's Financial Policies and Procedures establish specific protections against employee fraud. All financial transactions are subject to a multilayer review and approval process including review by at least 3 staff. Payments and loan disbursements are reviewed and approved by the appropriate department director, senior accountant, and VP of Finance; the CEO is prohibited from initiating electronic disbursements. Impact Seven's personnel policies prohibit any attempt to defraud the organization, as well as acceptance of gifts, money or gratuities in exchange for services rendered.

APPLICANT AUTHORIZATION

On behalf of Impact Seven, Inc. (Applicant), I submit this application for funding to the HOME Consortium. To the best of my knowledge all information contained herein is accurate and complete as stated. I am authorized to sign on behalf of my organization.

Signature

Michael Carlson

Print Name

VP, Real Estate Development

Title

January 12, 2022

Date



Waukesha County
Department of Parks and Land Use

MEMO:

DATE: 2/11/2022
TO: HOME Consortium Board Members
FROM: Kristin Silva
RE: 2022 Increase in DPA, Rehab and Development per Unit Funding

I would like to propose that the Board consider increasing the maximum amount of funding available to homebuyers in the DPA program, to homeowners in the Housing Rehabilitation program, and to affordable housing developers in the Development program. I have two reasons for this; first, housing prices and construction prices have increased dramatically over the last two years, and second, we have a large amount of HOME funds that are not committed and we need to be creative about finding ways to spend the allocation.

DPA

Currently, the maximum amount available to a homebuyer in the Downpayment Assistance Program is \$5,000. I propose increasing this to \$10,000. We have seen housing prices increase dramatically recently, and homebuyers need a larger downpayment. This would also make the program more appealing to lenders, as it is a lot of work for them. It would still be a declining balance loan over a 5-year period, but now instead of \$1,000 forgiven each year, it would be \$2,000.

Housing Rehabilitation Program

Currently the maximum amount of funding available to homeowners is \$15,000. I propose increasing this to \$24,999. We stay under \$25,000 in this program because that amount triggers different requirements with lead paint remediation, and it gets very expensive. We have had this maximum amount available to homeowners in the past, and it allows people to do larger projects. The terms of the loan program would remain the same; no interest, no monthly or annual payments, and the loan is paid off when the homeowner sells the home.

Development Program

The HOME Board has long had a policy of allowing a maximum of \$51,000 per unit for developers seeking funding. I propose we increase this amount to \$60,000 for projects in Jefferson County, and \$70,000 for projects in Ozaukee, Washington and Waukesha Counties. These amounts are well under the HUD maximum per unit subsidy limits. Most development projects are capped at funding 11 or fewer units. The Board has the discretion to fund projects at a lesser amount—this would just increase the maximum amount available per unit.

Community Development

515 W. Moreland Blvd., AC320 • Waukesha, Wisconsin 53188-3878
Phone: (262) 548-7920 • Fax: (262) 896-8510 • www.waukeshacounty.gov/communitydevelopment