

PROPOSAL # 6  
DATE REC. 11/21/07

**PROPOSAL FOR 2008 HOME FUNDING**  
**SUMMARY SHEET**

NAME OF PROGRAM: 618 Randolph Spec Home

NAME OF APPLICANT: Soren Stauersbol

ADDRESS: 1641 Main St

PHONE NUMBER: 262-880-2990

E-MAIL ADDRESS: Stauersbolco@yahoo.com

NAME OF CONTACT PERSON: Soren Stauersbol

FINANCIAL REPORTING DONE BY: Soren Stauersbol

TOTAL HOME FUNDS REQUESTED: \$ 25,000

TOTAL COST OF PROPOSED ACTIVITY: \$ 145,000

WHAT OTHER FUNDING SOURCES HAVE BEEN IDENTIFIED FOR THIS PROJECT? M & I Bank

WHAT FUNDING SOURCES HAVE BEEN CONFIRMED? \_\_\_\_\_

**PROVIDE A BRIEF SUMMARY OF THE PROPOSAL:**

Funding will be used to build a quality, 3 bedroom, 2 bath home with approximately 1400 Sq. Ft. of living space, with an attached 1 car garage. It will be similar to 614 Randolph St., differences are 618 will have a full brick/stone veneer and a masonry fireplace. Asking price of the home will be \$119,000.

**STATEMENT OF APPROVAL: Non-profit and For Profit Organizations.**

This proposal for HOME funds was considered and approved by our Board of Directors at a meeting at which a quorum was present on \_\_\_\_\_ and all information contained in the proposal is true and correct to the best of our knowledge:

Board President's Signature: \_\_\_\_\_

Board Treasurer's Signature: \_\_\_\_\_

**STATEMENT OF APPROVAL: Government Agencies and Individuals.**

This proposal for HOME funds has been reviewed and approved for submission and all information contained in the proposal is true and correct to the best of my knowledge:

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

**SECTION 1: NEEDS STATEMENT** - Limit your response to the space provided.

1) Describe the need in the City that this proposal will address.

Constuction of this home on Randolph St. shows a continued support and commitment to revitalizing this neighborhood. This property is in full view of the Transit Center and State St. Train Station, future City of Racine Station for the KRM. Hopefully the City's commitment to this neighborhood will help the KRM Proposal.

2) Describe the basis on which you determined the need exists and identify the extent of the need.

Randolph St. has great potential to become a prime location in the City of Racine, once KRM is a reality. I believe the construction of this home may inspire other investor/homeowners to Renovate and Upgrade existing properties on Randolph St and Liberty St. This will benefit the City as the Train Station is fully renovated and the recently acquired commercial property adjacent to the Station is redeveloped to compliment the Station.

## **SECTION 2: PROPOSAL OVERVIEW**

Describe the activity(ies) for which funding is being requested. Include in the description what activities will take place, how the program will be administered, who will be served by the activities, and a timetable for the implementation of the proposal.

Once funding is received, Stauersbol Masonry, serving the Racine area for 3 generations, will be the General Contractor. Construction will begin as soon as weather permits, and completion will be approximately 4 months from the start date. As focus is continued on KRM, this project by Stauersbol Moasonry, will hopefully help convince the KRM doubters of the viability of KRM attracting improvements and developments along the KRM Pathway.

### **SECTION 3: COLLABORATION**

1) Describe the extent to which your proposal is consistent with the City of Racine's Consolidated Plan priority housing goals: promoting homeownership; rehabilitating or constructing affordable housing in target neighborhoods; preventing homelessness.

This request for Funding to assist in the construction of this affordable home in an up and coming location, fulfills all the goals of the City of Racine's Consolidated Plan to promote ownership in target area that will benefit the citizens of Racine and the City of Racine, and encourage others to revitalize and rehabilitate other affordable properties.

2) Describe how your proposal supports or complements the activities of other housing providers in Racine.

The marketing of this proposed New Home will focus on groups assisting the citizens of Racine, like Housing Resources, Inc., that promote affordable housing and homeownership to people that may otherwise not have the opportunity of homeownership.

Stauersbol Masonry  
 1641 N Main St  
 Racine, WI 53402

Spec Home #2  
 614 Randolph St  
 Racine, WI 53403

Item	Description	Cost
Survey		\$ 1,000
Permit		\$ 1,300
Silt fence		\$ 250
Excavation	Exc. Backfill, r.grade, f.grade, fill, trucking	\$ 10,000
Masonry	fittings, basmement, walls	\$ 8,500
Concrete	Cement floor	\$ 4,000
Lumber		\$ 10,000
Trusses		\$ 3,000
Rought Framing		\$ 7,500
Masonry	Brick veneer	\$ 18,050
Ext. doors		\$ 1,000
Windows		\$ 3,500
Millwork & trim		\$ 5,000
Carpentry	Finish	\$ 5,000
Cabinets & Vanities		\$ 3,500
Insulation		\$ 2,200
Roofing		\$ 2,000
Garage door		\$ 1,000
Interior walls	Drywall	\$ 7,000
Electrical Allowance		\$ 1,000
Electrical & lighting		\$ 7,000
Plumbing		\$ 7,200
Excavation	Trench materials	\$ 10,000
HVAC	Heating and cooling	\$ 7,000
Gutters & downspouts		\$ 2,000
Floor coverings		\$ 5,000
Landscaping & paving		\$ 3,000
Deck		\$ 1,000
Appliances		\$ 500
Supervision		\$ 1,000
Lot		\$ 6,500
	<b>Total</b>	<b>\$ 145,000</b>

2008 HOME Application

Proposal #7

Applicant: Racine Habitat for Humanity

Activity Name: New Construction

Requested Amount: \$188,000

Total Project Cost: \$508,000

PROPOSAL # 7  
DATE REC. 11-29-07

**PROPOSAL FOR 2008 HOME FUNDING  
SUMMARY SHEET**

NAME OF PROGRAM: Racine Habitat for Humanity, Inc.

NAME OF APPLICANT: Racine Habitat for Humanity, Inc.  
ADDRESS: 1501 Villa Street  
PHONE NUMBER: 262-637-9176  
E-MAIL ADDRESS: info@racinehabitat.org  
NAME OF CONTACT PERSON: Nora S. Grosse, Executive Director  
FINANCIAL REPORTING DONE BY: Nora S. Grosse

TOTAL HOME FUNDS REQUESTED: \$ \$188,000  
TOTAL COST OF PROPOSED ACTIVITY: \$ 508,000  
WHAT OTHER FUNDING SOURCES HAVE BEEN IDENTIFIED FOR THIS PROJECT? Corp. & Fdn. \$140,000; Churches & Indiv. \$60,000; Mtg. Pmts. \$120,000  
WHAT FUNDING SOURCES HAVE BEEN CONFIRMED? Mtg. Pmts. & most of the above.

PROVIDE A BRIEF SUMMARY OF THE PROPOSAL:  
Racine Habitat for Humanity plans to build four homes in 2008 and sell them to four very low-income, responsible families with a no-interest mortgage. These homes will be located in census tracts 1 through 5 in Racine. Habitat families put in 300 hours of "sweat equity" on a home in order to qualify for homeownership. Habitat also plans to purchase land for future housing.

STATEMENT OF APPROVAL: Non-profit and For Profit Organizations.  
This proposal for HOME funds was considered and approved by our Board of Directors at a meeting at which a quorum was present on 11-12-07 and all information contained in the proposal is true and correct to the best of our knowledge:

Board President's Signature: Jan R. Richard  
Board Treasurer's Signature: Nora S. Grosse

STATEMENT OF APPROVAL: Government Agencies and Individuals.  
This proposal for HOME funds has been reviewed and approved for submission and all information contained in the proposal is true and correct to the best of my knowledge:

Signature: \_\_\_\_\_  
Title: \_\_\_\_\_

**SECTION 1: NEEDS STATEMENT** - Limit your response to the space provided.

1) Describe the need in the City that this proposal will address.

Racine Habitat for Humanity provides homeownership for low-income families in Racine, families whose income is 30% to 60% of the county median. According to the Housing Authority of Racine County, there is a two- to three-year waiting period for households waiting for Section 8 public housing, especially larger units of 3-4 bedrooms. Decent rental units in Racine are at least \$600 to \$700 per month.

2) Describe the basis on which you determined the need exists and identify the extent of the need.

The need was determined by studying Habitat's list of low-income families hoping to be homeowners and by discussing the need with the Housing Authority.

All families applying for a home must attend an Orientation meeting which is held about every two months. Generally 20 to 30 low-income families sign up to attend. At this meeting the Habitat for Humanity program is explained in detail and applications are filled out.

The need for decent affordable housing is greatest in very low-income households, and those are the families that Habitat targets. These families do not qualify for conventional mortgages.



## SECTION 2: PROPOSAL OVERVIEW

Describe the activity(ies) for which funding is being requested. Include in the description what activities will take place, how the program will be administered, who will be served by the activities, and a timetable for the implementation of the proposal.

With the help of volunteers and potential homeowners, Racine Habitat for Humanity will build four homes in 2008. Our Executive Director, Board of Directors, and construction leader will administer the building of these homes. Very low-income families will be served because they will eventually live in the homes.

Habitat families average five people per family, and many of them make just over \$20,000 per year and none would make it to HUD's \$35,000. Almost all Habitat families have incomes that would be closer to "extra low income" (30%) rather than "very low income" (50%). By Habitat not charging interest, these families are able to become homeowners. It should take about a year to build the four homes.

Besides building these four homes, Racine Habitat for Humanity will rehab one home.

### SECTION 3: COLLABORATION

1) Describe the extent to which your proposal is consistent with the City of Racine's Consolidated Plan priority housing goals: promoting homeownership; rehabilitating or constructing affordable housing in target neighborhoods; preventing homelessness.

Racine Habitat for Humanity has completed 52 homes in Racine, 27 new constructions and 25 rehabs. We are currently working on four new constructions and one rehab. All of these are in census tracks 1-5. Habitat definitely promotes affordable homeownership in target neighborhoods.

2) Describe how your proposal supports or complements the activities of other housing providers in Racine.

The City of Racine, the County of Racine, the Housing Authority of Racine County, and Neighborhood Housing all collaborate to help provide decent affordable housing in Racine.

Racine Habitat for Humanity is different from the above services because we provide homeownership to extremely low-income families with a no-interest mortgage.

Racine Habitat for Humanity is the only agency that provides a completely no-interest mortgage to low-income families. All of the above agencies, City of Racine, County of Racine, the Housing Authority of Racine County, and Neighborhood Housing, have been very helpful in many ways in our mission to provide decent affordable homeownership.

For example, the City of Racine provides a Down Payment Assistance Grant of \$1,000 to each Habitat family who lives in census tracks 1-5. Also the City of Racine, County of Racine, and the Housing Authority of Racine County have helped Habitat obtain homes to rehab and lots on which to build new houses. We all work together to provide affordable homeownership to low-income families.

## SECTION 4: BUDGET

BUDGET FOR ACTIVITIES PROPOSED FOR HOME FUNDING IN WHOLE OR IN PART:

REVENUES:	
FUNDS REQUESTED FROM HOME PROGRAM	\$ 188,000
OTHER FUNDS: LIST SOURCE AND AMOUNT	
Corporations & Foundations	\$ 140,000
Individuals & Churches	\$ 60,000
Mortgages Payments	\$ 120,000
TOTAL REVENUES	\$ 508,000

EXPENSES: Attach a budget spreadsheet specifying the uses of the funding. For example, include acquisition, architect's fees, permits, and other soft costs, holding costs, labor and materials, disposition costs, permits, organizational overhead, contractor profit, contingencies, etc.

## USES OF FUNDING

EXPENSES	HOME GRANT	OTHER FUNDS	TOTAL
Salaries			
2 Constr, Leaders ½-¼ time \$26/\$15/ hr.		\$ 42,000	\$ 42,000
1 Executive Director ½ time \$11,000/yr.		11,000	11,000
3 Office workers ¼ time \$8/hr.		10,000	10,000
Payroll Taxes		7,000	7,000
Permits and Titlework	\$ 8,000		8,000
Audit Fees & Other Fees		4,000	4,000
Insurance		5,000	5,000
Rent or Occupancy		10,000	10,000
Telephone & Internet		3,000	3,000
Office Supplies		5,000	5,000
Postage		3,000	3,000
Equipment Purchase (Tools etc.)		5,000	5,000
Maintenance Habitat Truck – Gas etc.		4,000	4,000
Complete 1 rehab		41,000	41,000
Building Supplies – Complete 4 homes		160,000	160,000
Land Acquisition	50,000		50,000
Building Prep, Expenses for 4 new homes			
Excavation, Backfill & Grading	28,000		28,000
Foundation	40,000		40,000
Sewer and Water	32,000		32,000
Basement Floor	10,000		10,000
Driveway, Sidewalk and Sod	20,000		20,000
Habitat International Tithe		10,000	10,000
<b>Total Expenses</b>	<b>\$188,000</b>	<b>\$320,000</b>	<b>\$508,000</b>

2008 HOME Application

Proposal #8

Applicant: NHS of Southeast Wisconsin

Activity Name: New Construction & Rehabilitation

Requested Amount: \$315,000

Total Project Cost: \$1,350,000

COPY

PROPOSAL # 8  
DATE REC. 11-29-07

**PROPOSAL FOR 2008 HOME FUNDING**  
**SUMMARY SHEET**

NAME OF PROGRAM: NHS 2008 Healthy Neighborhoods Campaign

NAME OF APPLICANT: Neighborhood Housing Services of Southeast Wisconsin, Inc.  
ADDRESS: 1700 Mead Street  
PHONE NUMBER: 262.633.3330  
E-MAIL ADDRESS: domenick@nhswi.org  
NAME OF CONTACT PERSON: Domenick Martinelli, Executive Director  
FINANCIAL REPORTING DONE BY: Jane Hoftiezer, Associate Director and CFO

TOTAL HOME FUNDS REQUESTED: \$ 315,000.00  
TOTAL COST OF PROPOSED ACTIVITY: \$ 1,350,000  
WHAT OTHER FUNDING SOURCES HAVE BEEN IDENTIFIED FOR THIS PROJECT? NHS Existing Capital and Financing, Conventional Borrower Financing, Borrower Down Payment Assistance, Borrower Out-of-Pocket, and City of Racine loan funds.  
WHAT FUNDING SOURCES HAVE BEEN CONFIRMED? NHS Capital and Financing

PROVIDE A BRIEF SUMMARY OF THE PROPOSAL:

NHS would like to develop 7 houses (new construction and/or rehab of existing homes) with 2008 HOME funds. We have attached an actual case study of our proposed first project. We would like to develop 7 such houses in the Towerview Neighborhood with the 2008 HOME funds requested with this application.

**STATEMENT OF APPROVAL: Non-profit and For Profit Organizations.**

This proposal for HOME funds was considered and approved by our Board of Directors at a meeting at which a quorum was present on January 29, 2008 and all information contained in the proposal is true and correct to the best of our knowledge:

Board President's Signature: Brian L. Anderson

Board Treasurer's Signature: Mike Capodanco

**STATEMENT OF APPROVAL: Government Agencies and Individuals.**

This proposal for HOME funds has been reviewed and approved for submission and all information contained in the proposal is true and correct to the best of my knowledge:

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

**SECTION 1: NEEDS STATEMENT** - Limit your response to the space provided.

1) Describe the need in the City that this proposal will address.

- *The need to develop "Healthy Neighborhoods" in the City of Racine*
- *The need for an increase of owner-occupied housing in our inner-city neighborhoods*
- *The need for affordable homes with affordable payments and sound financing for low-income families*
- *The need to eliminate slum, blight, boarded vacant homes, and empty lots from our neighborhoods*
- *The need to reach minority markets*
- *The need to bring stable homeowners to our neighborhoods through education and financial assistance*
- *The need to renew pride, restore confidence, and promote reinvestment in our Racine neighborhoods*
- *The need for inner city vacant lots to be developed into new owner occupied homes designed with high standards that will add value to the neighborhood and offer durability and convenience for the homeowner*
- *The need to build trust in financial systems set up to assist home buyers*

*NHS of Southeast Wisconsin has been in existence since 1982, and been active in our Racine neighborhood since 2003. In four years NHS has been actively working in our Racine Southside neighborhood and built 8 impeccably designed new-construction single-family homes, completely rehabbed 14 houses, and have another 7 houses in-progress for rehab. All of our homes are owner-occupied and sold to graduates of the NHS home buyer education program, are very-low or low-income qualified buyers. We cannot carry out this important work without important subsidy funds from the HOME program.*

2) Describe the basis on which you determined the need exists and identify the extent of the need.

*The basis for the need was determined by consulting marketing data available in the consolidated plans of the City of Racine and the State of Wisconsin, by working closely with city officials, by interviewing residents in the neighborhood and involving them on our board, and by reviewing under-assessed values of the property located in the inner city.*

## **SECTION 2: PROPOSAL OVERVIEW**

Describe the activity(ies) for which funding is being requested. Include in the description what activities will take place, how the program will be administered, who will be served by the activities, and a timetable for the implementation of the proposal.

*NHS would like to develop 7 houses (new construction or rehab of existing homes) with 2008 HOME funds. We have attached an actual case study of our proposed first project. We would like to develop 7 such houses in the TowerView Neighborhood with the 2008 HOME funds requested in this application.*

*This program will be administered by George Huxhold, NHS Construction Manager, Jane Hoftiezer, Associate Director and CFO, and Domenick Martinelli, Executive Director. Implementation of this proposal would begin upon notification of the 2008 HOME grant awards. This campaign will focus on the development of healthy neighborhoods in our TowerView neighborhood, and offer affordable homeownership to creditworthy income qualified families looking to purchase a home.*

*Our Healthy Neighborhood Campaign will serve low-income residents of our neighborhoods, income-qualified first-time home buyers, and low-income families striving to realize their dream of homeownership. Our program will, however, benefit the City of Racine and all of the families living in our community by improving and adding value to the existing housing stock in the TowerView Neighborhood.*

*A short forecast of the campaign may look as follows:*

<b>Property Address</b>	<b>Property Type</b>	<b>Acquisition Cost</b>	<b>Est. Devl Cost</b>	<b>Total Cost</b>	<b>Est. Sales Price</b>	<b>Est. Subsidy</b>
#1-1100-12 <sup>th</sup> St.	Vacant Lot	\$9,000	\$216,000	\$225,000	\$180,000	\$45,000
#2 TBD	Vacant Lot	\$9,000	\$216,000	\$225,000	\$180,000	\$45,000
#3 TBD	Rehab Existing	\$55,000	\$125,000	\$180,000	\$135,000	\$45,000
#4 TBD	Rehab Existing	\$55,000	\$125,000	\$180,000	\$135,000	\$45,000
#5 TBD	Rehab Existing	\$55,000	\$125,000	\$180,000	\$135,000	\$45,000
#6 TBD	Rehab Existing	\$55,000	\$125,000	\$180,000	\$135,000	\$45,000
#7 TBD	Rehab Existing	\$55,000	\$125,000	\$180,000	\$135,000	\$45,000
		\$293,000	\$1,057,000	\$1,350,000	\$1,035,000	\$315,000



### SECTION 3: COLLABORATION

1) Describe the extent to which your proposal is consistent with the City of Racine's Consolidated Plan priority housing goals: promoting homeownership; rehabilitating or constructing affordable housing in target neighborhoods; preventing homelessness.

*This proposal is consistent with the City of Racine's Consolidated Plan priority housing goals of promoting homeownership and rehabilitating and/or constructing affordable housing in targeted neighborhoods, while developing Healthy Neighborhoods. We have a proven track record of performing these services well for over 22 years. Because of our full-cycle lending approach, we feel our service is unique. Banks and credit unions may provide loan assistance to buyers similar to ours, but loan terms are not always as favorable as ours in the marketplace. We not only build and rehab homes, but we also find qualified home buyers and assist them through one-on-one counseling, group home buyer education workshops, post-purchase counseling, down payment assistance, and other financing tools. If buyers are not ready to qualify for a loan, we assist them with credit, savings, and financial management issues.*

2) Describe how your proposal supports or complements the activities of other housing providers in Racine.

*NHS programs are consistent with the City of Racine Consolidated Plan. We collaborate by working with local banks in the community (such as Bank of Elmwood and Johnson Bank) and WHEDA to qualify our buyers and participate in the financing venture. We will access our line of credit with Johnson Bank to help finance the rehab activity. We believe we are the only agency providing neighborhood based economic development activity addressing problem properties—residential and commercial—in the neighborhood.*

*Of course, we will continue to collaborate with other agencies providing some of our services by continuing to exchange referrals of clients for credit counseling, home ownership, property improvement, lending, and creating new businesses in the neighborhood. We are in contact and have constant dialog with the Housing Coalition, Southside Revitalization Corp., Neighborhood Watch, and Racine County Housing Authority, and Consumer Credit Counseling Service, and Family Services of Racine. We share our vision, design, and purpose with these agencies and cooperate by referring clients. We would welcome planning and implementing projects with these agencies given the opportunity.*

**SECTION 4: BUDGET**

**BUDGET FOR ACTIVITIES PROPOSED FOR HOME FUNDING IN WHOLE OR IN PART:**

<b>REVENUES:</b>	
FUNDS REQUESTED FROM HOME PROGRAM	\$_315,000.00
OTHER FUNDS: LIST SOURCE AND AMOUNT	
__NHS Capital and Financing_____	\$_1,035,000.00
__PLEASE SEE ATTACHED BUDGETS_____	\$_____00
_____	\$_____00
<b>TOTAL REVENUES</b>	<b>\$1,350,000.00</b>

**EXPENSES: Attach a budget spreadsheet specifying the uses of the funding. For example, include acquisition, architect's fees, permits, and other soft costs, holding costs, labor and materials, disposition costs, permits, organizational overhead, contractor profit, contingencies, etc.**

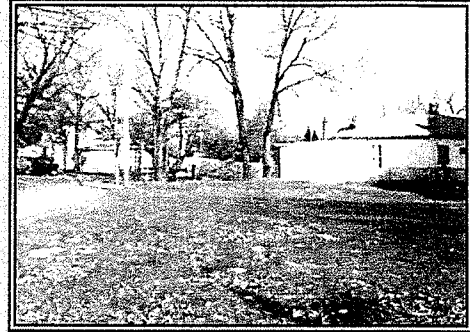
**Neighborhood Housing Services of Southeast WI, Inc.**  
**Racine 2008 HOME Program Application**  
*NHS 2008 Healthy Neighborhood Campaign: Program Budget*  
*(Projects undertaken are estimates contingent upon funding sources)*

<u>Sources of Funds</u>	<u>New Construction/ Rehab of 7 Houses</u>
Proposed Racine HOME 2008 Grant	315,000
NHS Capital & Financing	<u>1,035,000</u>
<b>Total Sources of Funds</b>	<u><u>1,350,000</u></u>
<u>Uses of Funds</u>	
Acquisition	293,000
Demolition	45,500
Rehab/New Construction Costs	939,400
Construction Management	46,970
Carrying Costs	<u>25,130</u>
<b>Sub-Total Uses of Funds</b>	<u><u>1,350,000</u></u>
Marketing/Outreach/Education Costs	8,400
Closing Costs	<u>8,225</u>
<b>Total Uses of Funds</b>	<u><u>1,366,625</u></u>
<u>Project Summary</u>	
Total HOME Grant Funds Used	<u><u>315,000</u></u>
Total HOME Subsidy Per Project	45,000
Total HOME Subsidy Per Unit	45,000
<i>Number of projects undertaken</i>	7
<i>Number of units</i>	7

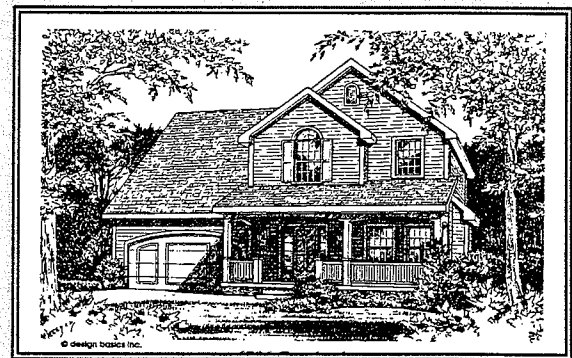
**Neighborhood Housing Services of Southeast Wisconsin, Inc.**



**Project Estimate  
1100-12th Street  
Racine, WI**



*Before  
Acquisition Cost: \$8,870  
(2 Vacant Lots)*



*After: The Copeland  
Sales Price: \$180,000  
(3-bdrm , 2ba single family)*



*Home Buyer:  
Daniel Lopez Family*

**New Construction or Rehab:**

New Construction

**Estimate or Final:**

ESTIMATE

**Section A: Project Timetable**

	Estimated
Purchase Date:	17-Jul-07
Bids Solicited:	28-Dec-06
Bids Received:	18-Jan-07
Contractor Selected:	18-Jan-07
Notice to Proceed:	
Contract Completion Date:	
Date of Sale:	

**Section B: Uses of Funds**

	Estimated
Acquisition Costs	8,870.21
Total Construction/Rehab Costs	189,646.00
Landfill Contingency	7,500.00
NHS Developer Fee	5,689.38
Total Carrying Costs	11,370.00
<b>Total Project Costs</b>	<b>223,075.59</b>

**Section C: Sources of Funds**

	Estimated
Grant Source & Year	2008 HOME
Grant Subsidy Assigned	43,075.59
Line of Credit	0.00
NHS Capital	180,000.00
Other	0.00
<b>Total Construction/Rehab Sources</b>	<b>223,075.59</b>

**Distribution of Sales Price**

Sales Price	180,000.00
Less Grant Takeout Financing	0.00
Grant Subsidy Used/(Returned)	43,075.59
Return NHS Capital	(180,000.00)
Gain/(Loss) on Sale	(43,075.59)
<b>Net Project Sources</b>	<b>0.00</b>

Annual Tax Increment  
Created: \$4,274.99

**Section D: Borrower Financing**

First Mortgage:	Johnson Bk 6.875%	\$90,000.00
Second Mortgage:	City of Racine 0%	80,000.00
Down Payment Assistance:	City of Racine	5,000.00
Borrower Out of Pocket:		7,500.00
<b>Total Financing</b>		<b>\$182,500.00</b>

**HOME 2008**  
Subsidy Used: 43,075.59

2008 HOME Application

Proposal #9

Applicant: Racine-Kenosha Community Action Agency & The Salvation Army

Activity Name: Rent Assistance Program

Requested Amount: \$30,000

Total Project Cost: \$55,000

PROPOSAL # 9  
DATE REC. 11-30-07

**PROPOSAL FOR 2008 HOME FUNDING**  
**SUMMARY SHEET**

NAME OF PROGRAM: The Salvation Army/Community Action Rental Assistance Program

NAME OF APPLICANT: The Salvation Army  
ADDRESS 1901 Washington Av  
PHONE:NUMBER: (262)6323147  
E-MAIL ADDRESS: Pat\_Crowell@USC.salvationarmy.org  
NAME OF CONTACT PERSON: Pat Crowell  
FINANCIAL REPORTING DONE BY: The Salvation Army/Pat Crowell

TOTAL HOME FUNDS REQUESTED: \$ 30,000  
TOTAL COST OF PROPOSED ACTIVITY: \$ 55,000  
WHAT OTHER FUNDING SOURCES HAVE BEEN IDENTIFIED FOR THIS PROJECT? FEMA  
WHAT FUNDING SOURCES HAVE BEEN CONFIRMED? none

PROVIDE A BRIEF SUMMARY OF THE PROPOSAL:  
We will provide rental assistance to extremely low, very low and low income families and individuals in the city of Racine who are facing eviction or are homeless.

**STATEMENT OF APPROVAL: Non-profit and For Profit Organizations.**

This proposal for HOME funds was considered and approved by our Board of Directors at a meeting at which a quorum was present on Novemeber 19,2007 and all information contained in the proposal is true and correct to the best of our knowledge:

Board President's Signature: \_\_\_\_\_

Board Treasurer's Signature: \_\_\_\_\_

*J. A. Costabile*

*Dina C. Alcora*

**STATEMENT OF APPROVAL: Government Agencies and Individuals.**

This proposal for HOME funds has been reviewed and approved for submission and all information contained in the proposal is true and correct to the best of my knowledge:

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

**SECTION 1: NEEDS STATEMENT** - Limit your response to the space provided.

1) Describe the need in the City that this proposal will address.

**There are many individuals/families in our community working at low paying jobs, or who have lost their jobs due to plant closing or down-sizing. They find themselves with little or no benefits, so when any out of the ordinary expenses (i.e.) doctor's appointments, prescriptions, school supplies, infant necessities, arise; the money must come from somewhere and often it comes from the rent money.**

**The Salvation Army/Racine Community Action Agency receive at least 10 to 15 calls a day from persons asking for assistance with their rent.**

2) Describe the basis on which you determined the need exists and identify the extent of the need.

**We know the need exists by the number of requests we receive for rental assistance from people who have received eviction notices from their landlord.**

**We are also seeing more homeless people and they are younger than in years past.**

**We see about 1,500 individuals and families monthly in our various programs and through our interview process, we find many who are living on the edge of losing what little they have. Short of not eating, the rent money seems to be the place that any unexpected expense is pulled from.**



## **SECTION 2: PROPOSAL OVERVIEW**

Describe the activity(ies) for which funding is being requested. Include in the description what activities will take place, how the program will be administered, who will be served by the activities, and a timetable for the implementation of the proposal.

**We will provide rental assistance for extremely low, very low and low income individuals/families in the City of Racine. Applications will be taken by The Racine Community Action Agency. The Salvation will be the fiscal agent for all monies received.**

**Individuals/families who are subject to eviction or are homeless will be provided with half a month's rental assistance through this program. An individual/family will need to make application at The Racine Community Action Agency They will need to provide a 14 or 28 day eviction notice or court papers, all proper ID (picture ID, Social Security card, proof of income and proof that they live at the location (bill, rent receipt, etc.)and a signed form from their landlord stating that they will not be evicted if we pay half a month's rent.**

**After all information has been gathered, the application will be presented to a committee for approval. When approved, a check will be issued to the landlord. The process takes between a week and two weeks.**

**An individual/family can receive assistance once a year. The activity will be evaluated on an ongoing basis by the approval committee and the agency directors and boards and yearly by The Salvation Army Divisional Social Service Director.**

**The program is ongoing as monies become available, as all components of the program are already in place.**

**All intake, evaluations, supplies will be in-kind provided by the agencies.**

### **SECTION 3: COLLABORATION**

1) Describe the extent to which your proposal is consistent with the City of Racine's Consolidated Plan priority housing goals: promoting homeownership; rehabilitating or constructing affordable housing in target neighborhoods; preventing homelessness.

**We propose to help extremely low, very low, and low income persons of Racine remain in their homes and not become homeless.**

2) Describe how your proposal supports or complements the activities of other housing providers in Racine.

**We work closely with the Human Service Departments' rental assistance program and do not duplicate any help that has been given by them.**

**SECTION 4: BUDGET**

**BUDGET FOR ACTIVITIES PROPOSED FOR HOME FUNDING IN WHOLE OR IN PART:**

<b>REVENUES:</b>	
FUNDS REQUESTED FROM HOME PROGRAM	\$30,000.00
OTHER FUNDS: LIST SOURCE AND AMOUNT	
FEMA _____	\$25,000.00
_____	\$ _____ .00
_____	\$ _____ .00
<b>TOTAL REVENUES</b>	<b>\$ 55,000.00</b>

**EXPENSES: Attach a budget spreadsheet specifying the uses of the funding. For example, include acquisition, architect's fees, permits, and other soft costs, holding costs, labor and materials, disposition costs, permits, organizational overhead, contractor profit, contingencies, etc.**

**BUDGET:**

**All monies received will be for direct rental assistance to clients.**

**All other expenses(i.e. – postage, paper, employee time),will be absorbed by The Salvation Army and The Community Action Agency**

2008 HOME Application

Proposal #10

Applicant: Tanya & Brian Exner

Activity Name: New 4Plex Construction—Spring Street

Requested Amount: \$28,775

Total Project Cost: \$480,000

PROPOSAL # 10  
DATE REC. 11-30-07

**PROPOSAL FOR 2008 HOME FUNDING**  
**SUMMARY SHEET**

NAME OF PROGRAM:

NAME OF APPLICANT: Tanya and Brian Exner  
ADDRESS: 2418 Westwood Drive, Racine, WI 53404  
PHONE NUMBER: 262-632-2678  
E-MAIL ADDRESS:  
NAME OF CONTACT PERSON: Brian Exner  
FINANCIAL REPORTING DONE BY: Brian Exner

TOTAL HOME FUNDS REQUESTED: \$ 28,775  
TOTAL COST OF PROPOSED ACTIVITY: \$480,000  
WHAT OTHER FUNDING SOURCES HAVE BEEN IDENTIFIED FOR THIS PROJECT? Bank Loan (Business)  
WHAT FUNDING SOURCES HAVE BEEN CONFIRMED? Bank Loan

**PROVIDE A BRIEF SUMMARY OF THE PROPOSAL:**

Tanya & Brian Exner are asking for home funding to help reduce the cost of constructing a new 4 unit 2/3 bedroom apartment building at 1743/49 Spring Street/ Root River. By reducing construction costs we can provide **affordable** new housing to low-income families as a stepping stone to home ownership. New housing is needed to revive worn-down areas and allow families to feel proud of their current surroundings.

**STATEMENT OF APPROVAL: Non-profit and For Profit Organizations.**

This proposal for HOME funds was considered and approved by our Board of Directors at a meeting at which a quorum was present on \_\_\_\_\_ and all information contained in the proposal is true and correct to the best of our knowledge:

Board President's Signature: \_\_\_\_\_  
Board Treasurer's Signature: \_\_\_\_\_

**STATEMENT OF APPROVAL: Government Agencies and Individuals.**

This proposal for HOME funds has been reviewed and approved for submission and all information contained in the proposal is true and correct to the best of my knowledge:

Signature: \_\_\_\_\_ Title: \_\_\_\_\_

**SECTION 1: NEEDS STATEMENT - Limit your response to the space provided.**

**1) Describe the need in the City that this proposal will address.**

Our proposal is addressing the need for new, better looking, affordable housing for low-income families. Most new apartment buildings are in areas not affordable to low-income renters. By building new apartments in the city, families can feel proud of their current surroundings and become more accustomed to it. For instance, a family renting a run-down house for 2-3 years becomes accustomed to broken windows, holes in drywall, etc. which then carries over to when they own a home. Supplying the need for affordable, new housing is why we are asking for assistance from Home Funds.

**2) Describe the basis on which you determined the need exists and identify the extent of the need.**

We determined this need exists by walking in our neighborhood. My wife and I live 6 blocks from 1743 Spring Street and see a need for more full masonry homes/apartments. Full brick buildings add character to neighborhoods and withstand the elements better. Our location and building is perfect to help our area from getting rundown, to give people a sense of pride of where they live, and for low-income families to live in a new and exciting place.

## SECTION 2: PROPOSAL OVERVIEW

Describe the activity(ies) for which funding is being requested. Include in the description what activities will take place, how the program will be administered, who will be served by the activities, and a timetable for the implementation of the proposal.

Funding is being requested for:

1. Payment of city water/building fees and
2. Cost of bricks for a full masonry apartment building

Low income families would benefit by having lower monthly rent payments due to help from "Home Funds" absorbing some construction costs. Building is scheduled to start March of 2008 and finish August 2008. City water/building fees need payment before construction begins. Brick fees could be expected to be paid around half way (June) and thru project completion.

### **SECTION 3: COLLABORATION**

1) Describe the extent to which your proposal is consistent with the City of Racine's Consolidated Plan priority housing goals: promoting homeownership; rehabilitating or constructing affordable housing in target neighborhoods; preventing homelessness.

Our proposal promotes home ownership by providing affordable new apartments that families will want to live in while saving for their own home.

2) Describe how your proposal supports or complements the activities of other housing providers in Racine.

Our proposal would provide apartments for low-income families (asset by city) and allow housing assistance for tenants that qualify.



**SECTION 4: BUDGET**

**BUDGET FOR ACTIVITIES PROPOSED FOR HOME FUNDING IN WHOLE OR IN PART:**

<b>REVENUES:</b>	
FUNDS REQUESTED FROM HOME PROGRAM	\$28,775.00
OTHER FUNDS: LIST SOURCE AND AMOUNT	
_____	\$ .00
_____	\$ .00
_____	\$ .00
<b>TOTAL REVENUES</b>	<b>\$28,775.00</b>

**EXPENSES:** Attach a budget spreadsheet specifying the uses of the funding. For example, include acquisition, architect's fees, permits, and other soft costs, holding costs, labor and materials, disposition costs, permits, organizational overhead, contractor profit, contingencies, etc.

# BUDGET SPREADSHEET FOR 4-UNIT APARTMENT

1743/49 Spring Street  
Racine, WI 53404

## 1. Building permits / city water hook-up tax

Estimates from John Luther, City Inspector

\$ 3,000	per unit to hook-up to city water
<u>    x 4</u>	# of units
\$12,000	
<u>+ 2,750</u>	building permits / inspection costs
\$14,750	Total payable to City of Racine

## 2. Brick for exterior of building

Estimates from Diamond Masonry

18,800	brick needed
<u>    x .75</u>	cost of each brick
\$14,100	Total

Price is for material only. Labor to be supplied by contractor.  
Payable to County Materials

Financial information gathered by Brian R. Exner

2008 HOME Application

Proposal #11

Applicant: Racine Housing & Neighborhood Partnership

Activity Name: Lincoln-King Neighborhood Housing Revitalization

Requested Amount: \$200,000

Total Project Cost: \$868,100

PROPOSAL # 11  
DATE REC. 11-30-07

**PROPOSAL FOR 2008 HOME FUNDING**  
**SUMMARY SHEET**

NAME OF PROGRAM: LKC Neighborhood Revitalization

NAME OF APPLICANT: Racine Housing and Neighborhood Partnership (RHNP)  
ADDRESS: 718 North Memorial Drive. Racine, WI 53404  
PHONE NUMBER: (262) 633.8898 E-MAIL ADDRESS: [jwinfrey@rootcom.net](mailto:jwinfrey@rootcom.net)  
NAME OF CONTACT PERSON: Joaquina Winfrey  
FINANCIAL REPORTING DONE BY: Brady Hutsick, Gordon J. Maier & Co, LLP

TOTAL HOME FUNDS REQUESTED: \$ 200,000.00  
TOTAL COST OF PROPOSED ACTIVITY: \$ 868,100.00  
WHAT OTHER FUNDING SOURCES HAVE BEEN IDENTIFIED FOR THIS PROJECT?

CDBG - \$25,000

Federal Home Loan Bank - \$100,000.00

WHAT FUNDING SOURCES HAVE BEEN CONFIRMED? Award pending notification, Spring 2008

PROVIDE A BRIEF SUMMARY OF THE PROPOSAL: The Racine Housing and Neighborhood Partnership will use HOME dollars to pursue development projects in the Lincoln-King Community. Development will consist of new construction projects that will serve as single family housing and multi-use developments that will create new standards for area housing with designs that compliment existing area structures and position the Lincoln King Community as a beacon of progressive neighborhood revitalization.

**SECTION 1: NEEDS STATEMENT** - Limit your response to the space provided.

1) Describe the need in the City that this proposal will address.

This proposal will support new construction and housing rehabilitation activities in the Lincoln-King Community.

HOME funds will be used to support new construction and rehabilitation projects that will continue to promote stability through physical improvements to area properties, provide neighborhood continuity and foster a renewed excitement and desire for homeownership in the Lincoln King Community.

All development activity will occur in the area bound by Douglas Avenue on the East, High Street on the North; and State Street on the South and West.

2) Describe the basis on which you determined the need exists and identify the extent of the need.

The Lincoln-King Community, like many of Racine's central city neighborhoods, has both assets and obstacles. The area is home to the Dr. Martin Luther King Community Center, the Quintanilla COP House, the Julian Thomas Elementary School and an array of inter-denominational religious Congregations. It is currently home to the only central city grocery store, "Save-a-lot" and in 2006, the train depot debuted and renovated to its original luster and will serve as the central city's transit center hub.

The Lincoln-King Community (LKC) has experienced sustained growth over this past year with many homes benefiting from the home improvement programs offered by RHNP and its collaborating partnerships.

The Lincoln-King Community is capitalizing on all its assets to overcome its neighborhood specific opportunities. Since 2001 home ownership in the LKC has increased to 47.7% from 43.0%. In 2001 of the 454 residential properties that existed, 195 were owner occupied. In 2006, the number had increased to 219. Another positive outcome of growth has been the property values. In 2003 the average property sold for \$44,983. In 2005 that average rose to \$66,592.

In June 2006, the RHNP Board of Directors approved expanding the target area to include an additional 600 homes by expanding the target area beyond Hamilton Street to High street on the north and responding to the increased demand for access to the home improvement programs available in partnership with the City of Racine, and the Federal Home Loan Bank.

Data from the City of Racine Assessor Office, Dept. of City Development, 2000 Census and Multiple Listing Service was used to present the above information.

## SECTION 2: PROPOSAL OVERVIEW

Describe the activity(ies) for which funding is being requested. Include in the description what activities will take place, how the program will be administered, who will be served by the activities, and a timetable for the implementation of the proposal.

Over the next twelve months, with the goal of sustained housing revitalization in the Lincoln-King Community, the Racine Housing and Neighborhood Partnership will:

1. Develop 2 new construction and 4 rehabilitation projects within the targeted area.
2. Work with owners to start new construction activity. This will include working in partnership with Racine County to identify and secure properties eligible for foreclosure due to tax delinquency.
3. Work with area architects and general contractors/builders to create appropriate designs for single Family and mixed use designs for the community.  
construction in the neighborhood.
4. Secure financing through public/private partnership utilizing private construction loan funds in conjunction with HOME and CDBG funds.
5. Oversee the construction process through construction draws and inspections.
6. Upon completion, market availability of home using services from Racine area Realtors®.
7. Sell properties to qualified low/moderate income buyers who participate in the Home Buyer Education and IDA (Individual Development Account) program.

The RHNP will complete 2 new construction and 4 home rehabilitation projects during a twelve-month cycle. The development activity outlined will supplement other RHNP programs including, but not limited to:

- Facilitating the dissemination of \$5,000 forgivable loans to owner-occupied properties.
- Promoting the availability of homebuyer education and down payment assistance.
- Referral agent for LKC homeowners and investors participating in the City of Racine Housing Department programs.
- Coordinating the availability of quarterly financial literacy and post purchase education programs with other housing providers in the City of Racine.
- Facilitate and support first time home buyers in partnership with the City of Racine on the implementation of the Individual Development Account program (IDA), where RHNP will serve as a clearing and resource center for families looking to purchase a home in the LKC.

### Home Improvement Loans

- **Affordable Housing Program:** The RHNP will continue the Home Improvement grant program under the Federal Home Loan Bank of Chicago (FHLB) for up to (20) \$5,000 forgivable loans made available to owner occupied households. Loans are forgivable at a rate of 20% per year for five years as long as the property remains owner occupied.

- **Purchase/Rehab-New Construction/Sale:** Working with general contractors, the RHNP will turn area vacant lots and deteriorated housing into neighborhood showcases. The program purchases area properties to renovate and build new homes on lots to sell to low-moderate income families. The success of the program is measured in part on the market and RHNP's ability to sell the property. Since September 2006 the housing industry has had diminishing returns due to the effects of sub prime lending. RHNP has seized this opportunity to promote creative marketing strategies in an effort to leverage the effects of the sub prime lending market thereby increasing home sales in the Lincoln King Community by adding three new families to the community.

Activity will be conducted by RHNP Executive Director, Joaquina Winfrey. A Program Assistant and a proposed new position for Neighborhood Coordinator is pending approval at the time of this application under the direction of the RHNP Board of Directors who support her efforts.

### SECTION 3: COLLABORATION

1) Describe the extent to which your proposal is consistent with the City of Racine's Consolidated Plan priority housing goals: promoting homeownership; rehabilitating or constructing affordable housing in target neighborhoods; preventing homelessness.

The City of Racine's Consolidated Plan discusses housing and non-housing community development strategies.

The RHNP proposal will directly support the following strategies identified in the plan:

- RHNP will work with existing City Departments enforcing the Exterior Housing Conditions Code which requires substandard houses be repaired to standard condition and provide services and resources that allow owners to address housing code violations.
- RHNP will develop new housing that is safe and affordable for low-moderate income families.
- RHNP will provide referrals to the homebuyer education process, information on downpayment assistance and serve as resource center for families participating in the Individual Development Account program (IDA) and families transitioning from temporary to permanent housing.
- RHNP will work to eliminate blighted properties through a partnership with Racine County that allows boarded up, foreclosed and tax delinquent properties in the community to be razed and new housing created.

2) Describe how your proposal supports or complements the activities of other housing providers in Racine.

The Racine Housing and Neighborhood Partnership (RHNP) is one of two Racine area community housing development organizations(CHDO's). The Racine Housing and Neighborhood Partnership and Neighborhood Housing Services of Southeast Wisconsin share the common goal of revitalizing our respective central city target areas through programs that promote home ownership and neighborhood revitalization. In partnership with the City of Racine and private sector developers, RHNP and NHS will continue to collaborate and work together toward strengthening the affordable housing opportunities and community revitalization initiatives that foster an improved standard and quality of life for City of Racine residents.

The RHNP is also a monthly attendee of the Housing Coalition meetings where information with other housing providers is shared and partnerships are created and strengthened.



**SECTION 4: BUDGET**

**BUDGET FOR ACTIVITIES PROPOSED FOR HOME FUNDING IN WHOLE OR IN PART:**

**REVENUES:**

Funds requested from the HOME program	\$	200,000.00
Other Funds, List source and amount		
CDBG Development proceeds	\$	52,000.00
Private Sector Fundraising	\$	175,000.00
TOTAL REVENUE	\$	427,000.00

**EXPENSES:**

	Avg. per project	4 projects total
Acquisition	\$ 27,000.00	\$ 108,000.00
Rehab 4	\$ 34,000.00	\$ 136,000.00
Legal	\$ 500.00	\$ 1,000.00
Insurance	\$ 1000.00	\$ 4,000.00
Survey	\$ 600.00	\$ 2,400.00
Appraisal	\$ 500.00	\$ 2,000.00
Permits	\$ 600.00	\$ 2,400.00
Inspections	\$ 400.00	\$ 1,600.00
Construction Cost	\$ 108,480.00	\$ 433,920.00
Allowable for rubble removal	\$ 1,500.00	\$ 6,000.00
Allowable for 22X22 Garage	\$ 8,270.00	\$ 16,540.00
Allowable for central air	\$ 1,500.00	\$ 6,000.00
Builder profit (17%)	\$ 16,660.00	\$ 66,640.00
Construction contingency	\$ 5,500.00	\$ 22,000.00
Utilities	\$ 900.00	\$ 3,600.00
Maintenance	\$ 1200.00	\$ 4,800.00
Construction Interest	\$ 3,600.00	\$ 14,400.00
Title Policy (Owner)	\$ 400.00	\$ 1,600.00
Title Policy (Lender)	\$ 300.00	\$ 900.00
Draw fees	\$ 250.00	\$ 1,000.00
Mortgage Title Policy	\$ 125.00	\$ 500.00
Doc Prep	\$ 75.00	\$ 300.00
Commission	\$ 5,675.00	\$ 22,500.00
Property Taxes	\$ 2,500.00	\$ 10,000.00
Total Expenses	\$ 221,535.00	\$ 868,100.00
Anticipated sale price	\$ 110,275.00	\$ 441,100.00
Anticipated subsidy	\$ 55,630.00	\$ 427,000.00

**STATEMENT OF APPROVAL: Non-profit and For Profit Organizations.**

This proposal for HOME funds was considered and approved by our Board of Directors at a meeting at which a quorum was present on 4/4/07 and all information contained in the proposal is true and correct to the best of our knowledge:

Board President's Signature: *Hai O. Long*  
Board Treasurer's Signature: *[Signature]*

**STATEMENT OF APPROVAL: Government Agencies and Individuals.**

This proposal for HOME funds has been reviewed and approved for submission and all information contained in the proposal is true and correct to the best of my knowledge:

Signature: \_\_\_\_\_  
Title: \_\_\_\_\_

2008 HOME Application

Proposal #12

Applicant: Racine Housing & Neighborhood Partnership

Activity Name: CHDO Operating Funds

Requested Amount: \$25,000

Total Project Cost: \$145,000

PROPOSAL # 12  
DATE REC. 11-30-07

**PROPOSAL FOR 2008 HOME FUNDING**  
**SUMMARY SHEET**

NAME OF PROGRAM: Purchase/Rehab-New Construction-Sale

NAME OF APPLICANT: Racine Housing and Neighborhood Partnership (RHNP)  
ADDRESS: 718 North Memorial Drive. Racine, WI 53404  
PHONE NUMBER: (262) 633.8898 E-MAIL ADDRESS: [jwinfrey@rhotcom.net](mailto:jwinfrey@rhotcom.net)  
NAME OF CONTACT PERSON: Joaquina Winfrey  
FINANCIAL REPORTING DONE BY: Brady Hutsick, Gordon J. Maier & Co, LLP

TOTAL HOME FUNDS REQUESTED: \$ 25,000  
TOTAL COST OF PROPOSED ACTIVITY: \$ 175,000.00  
WHAT OTHER FUNDING SOURCES HAVE BEEN IDENTIFIED FOR THIS PROJECT?  
Funding sources still ongoing for calendar year 2008.  
WHAT FUNDING SOURCES HAVE BEEN CONFIRMED? Award notification, Spring 2008

PROVIDE A BRIEF SUMMARY OF THE PROPOSAL: The Racine Housing and Neighborhood Partnership will use HOME dollars to pursue development projects in the Lincoln-King Community. Development will consist of new construction projects that will serve as single family housing and multi-use developments that will create new standards for area housing with designs that compliment existing area structures and position the Lincoln King Community as a neighborhood of growth, expansion and improved quality of life.

**SECTION 1: NEEDS STATEMENT** - Limit your response to the space provided.

1) Describe the need in the City that this proposal will address.

This proposal will support new construction and housing rehabilitation activities in the Lincoln-King Community.

HOME funds will be used to support new construction and rehabilitation projects that will continue to promote stability through physical improvements to area properties, provide neighborhood continuity and foster a renewed excitement and desire for homeownership in the Lincoln King Community.

All development activity will occur in the area bound by Douglas Avenue on the East, High Street on the North; and State Street on the South and West.

2) Describe the basis on which you determined the need exists and identify the extent of the need.

The Lincoln-King Community, like many of Racine's central city neighborhoods, has both assets and obstacles. The area is home to the Dr. Martin Luther King Community Center, the Quintanilla COP House, the Julian Thomas Elementary School and an array of inter-denominational religious Congregations. It is currently home to the only central city grocery store, "Save-a-lot" and in 2006, the train depot debuted and renovated to its original luster and will serve as the central city's transit center hub.

The Lincoln-King Community (LKC) has experienced sustained growth over this past year with many homes benefiting from the home improvement programs offered by RHNP and its collaborating partnerships.

The Lincoln-King Community is capitalizing on all its assets to overcome its neighborhood specific opportunities. Since 2001 home ownership in the LKC has increased to 47.7% from 43.0%. In 2001 of the 454 residential properties that existed, 195 were owner occupied. In 2006, the number had increased to 219. Another positive outcome of growth has been the property values. In 2003 the average property sold for \$44,983. In 2005 that average rose to \$66,592.

In June 2006, the RHNP Board of Directors approved expanding the target area to include an additional 600 homes by expanding the target area beyond Hamilton Street to High street on the north and responding to the increased demand for access to the home improvement programs available in partnership with the City of Racine, and the Federal Home Loan Bank.

Data from the City of Racine Assessor Office, Dept. of City Development, 2000 Census and Multiple Listing Service was used to present the above information.

## SECTION 2: PROPOSAL OVERVIEW

Describe the activity(ies) for which funding is being requested. Include in the description what activities will take place, how the program will be administered, who will be served by the activities, and a timetable for the implementation of the proposal.

Over the next twelve months, with the goal of sustained housing revitalization in the Lincoln-King Community, the Racine Housing and Neighborhood Partnership will:

1. Develop 2 new construction and 4 rehabilitation projects within the targeted area.
2. Work with owners to start new construction activity. This will include working in partnership with Racine County to identify and secure properties eligible for foreclosure due to tax delinquency.
3. Work with area architects and general contractors/builders to create appropriate designs for single family and mixed use designs for the community.  
construction in the neighborhood.
4. Secure financing through public/private partnership utilizing private construction loan funds in conjunction with HOME and CDBG funds.
5. Oversee the construction process through construction draws and inspections.
6. Upon completion, market availability of home using services from Racine area Realtors®.
7. Sell properties to qualified low/moderate income buyers who participate in the Home Buyer Education and IDA (Individual Development Account) program.

The RHNP will complete 2 new construction and 4 home rehabilitation projects during a twelve-month cycle. The development activity outlined will supplement other RHNP programs including, but not limited to:

- Facilitating the dissemination of \$5,000 forgivable loans to owner-occupied properties.
- Promoting the availability of homebuyer education and down payment assistance.
- Referral agent for LKC homeowners and investors participating in the City of Racine Housing Department programs.
- Coordinating the availability of quarterly financial literacy and post purchase education programs with other housing providers in the City of Racine.
- Facilitate and support first time home buyers in partnership with the City of Racine on the implementation of the Individual Development Account program (IDA), where RHNP will serve as a clearing and resource center for families looking to purchase a home in the LKC.

### Home Improvement Loans

- **Affordable Housing Program:** The RHNP will continue the Home Improvement grant program under the Federal Home Loan Bank of Chicago (FHLB) for up to (20) \$5,000 forgivable loans made available to owner occupied households. Loans are forgivable at a rate of 20% per year for five years as long as the property remains owner occupied.

- **Purchase/Rehab-New Construction/Sale:** Working with general contractors, the RHNP will turn area vacant lots and deteriorated housing into neighborhood showcases. The program purchases area properties to renovate and build new homes on lots to sell to low-moderate income families. The success of the program is measured in part on the market and RHNP's ability to sell the property. Since September 2006 the housing industry has had diminishing returns due to the effects of sub prime lending. RHNP has seized this opportunity to promote creative marketing strategies in an effort to leverage the effects of the sub prime lending market thereby increasing home sales in the Lincoln King Community by adding three new families to the community.

Activity will be conducted by RHNP Executive Director, Joaquina Winfrey. A Program Assistant and a proposed new position for Neighborhood Coordinator is pending approval at the time of this application under the direction of the RHNP Board of Directors who support her efforts.

### SECTION 3: COLLABORATION

1) Describe the extent to which your proposal is consistent with the City of Racine's Consolidated Plan priority housing goals: promoting homeownership; rehabilitating or constructing affordable housing in target neighborhoods; preventing homelessness.

The City of Racine's Consolidated Plan discusses housing and non-housing community development strategies.

The RHNP proposal will directly support the following strategies identified in the plan:

- RHNP will work with existing City Departments enforcing the Exterior Housing Conditions Code which requires substandard houses be repaired to standard condition and provide services and resources that allow owners to address housing code violations.
- RHNP will develop new housing that is safe and affordable for low-moderate income families.
- RHNP will provide referrals to the homebuyer education process, information on downpayment assistance and serve as resource center for families participating in the Individual Development Account program (IDA) and families transitioning from temporary to permanent housing.
- RHNP will work to eliminate blighted properties through a partnership with Racine County that allows boarded up, foreclosed and tax delinquent properties in the community to be razed and new housing created.

2) Describe how your proposal supports or complements the activities of other housing providers in Racine.

The Racine Housing and Neighborhood Partnership (RHNP) is one of two Racine area community housing development organizations(CHDO's). The Racine Housing and Neighborhood Partnership and Neighborhood Housing Services of Southeast Wisconsin share the common goal of revitalizing our respective central city target areas through programs that promote home ownership and neighborhood revitalization. In partnership with the City of Racine and private sector developers, RHNP and NHS will continue to collaborate and work together toward strengthening the affordable housing opportunities and community revitalization initiatives that foster an improved standard and quality of life for City of Racine residents.

The RHNP is also a monthly attendee of the Housing Coalition meetings where information with other housing providers is shared and partnerships are created and strengthened.



**BUDGET/2008**

**BUDGET FOR ACTIVITIES PROPOSED FOR HOME FUNDING IN WHOLE OR IN PART:**

**REVENUES:**

FUNDS REQUESTED FROM HOME PROGRAM	\$ 25,000.00
OTHER FUNDS: LIST SOURCE AND AMOUNT	
CDBG Development Fees	\$ 80,000.00
Private Sector Fundraising	\$ 70,000.00
<b>TOTAL REVENUES</b>	<b>\$ 175,000.00</b>

**EXPENSES:**

<b>SALARIES</b>	<b>Position</b>	
	<u>Program Director</u>	\$ 45,589.00
	<u>Program Assistant</u>	\$ 26,501.90
	<u>Neighborhood Coordinator</u>	\$ 24,302.00
<b>PAYROLL TAXES</b>		\$ 8,528.02
<b>LICENSES, PERMITS &amp; MEMBERSHIPS</b>		\$ 450.00
<b>FRINGE BENEFITS</b>		\$ 17,000.00
<b>AUDIT COMPLIANCE FEES</b>		\$ 6,500.00
<b>LEGAL AND ACCOUNTING</b>		\$ 9,000.00
<b>INSURANCE</b>		\$ 4,500.00
<b>EMPLOYEE TRAINING</b>		\$ 1,200.00
<b>RENT</b>		\$ 7,580.00
<b>UTILITIES</b>		\$ -
<b>TELEPHONE</b>		\$ 4,000.00
<b>OFFICE SUPPLIES</b>		\$ 2,000.00
<b>POSTAGE</b>		\$ 1,500.00
<b>EQUIPMENT MAINTENANCE</b>		\$ 700.00
<b>PROGRAM SUPPLIES</b>		\$ 2,000.00
<b>PRINTING &amp; PUBLICATION</b>		\$ 1,200.00
<b>TRAVEL</b>		\$ 1,000.00
<b>MEETING EXPENSE</b>		\$ 250.00
<b>ADVERTISING</b>		\$ 1,200.00
<b>CONTRACTED SERVICES</b>		\$ 10,000.00
	<b>TOTAL EXPENSES</b>	<b>\$ 175,000.00</b>

**STATEMENT OF APPROVAL: Non-profit and For Profit Organizations.**

This proposal for HOME funds was considered and approved by our Board of Directors at a meeting at which a quorum was present on 4/1/07 and all information contained in the proposal is true and correct to the best of our knowledge:

Board President's Signature: \_\_\_\_\_

Board Treasurer's Signature: \_\_\_\_\_

**STATEMENT OF APPROVAL: Government Agencies and Individuals.**

This proposal for HOME funds has been reviewed and approved for submission and all information contained in the proposal is true and correct to the best of my knowledge:

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

2008 HOME Application

Proposal #13

Applicant: Cornerstone Building Better Lives Corporation

Activity Name: Love & Charity Project—1031 Douglas Avenue

Requested Amount: \$100,000

Total Project Cost: \$1,750,000

PROPOSAL # 13  
DATE REC. 11/30/07

**PROPOSAL FOR 2008 HOME FUNDING**  
**SUMMARY SHEET**

NAME OF PROGRAM: Love and Charity Project: Love and Charity Project

NAME OF APPLICANT: Cornerstone Building Better Lives Corporation  
ADDRESS: 4130 W. Martin Dr. #102  
PHONE NUMBER: 414-342-0805  
E-MAIL ADDRESS: luckettcarolyn@yahoo.com  
NAME OF CONTACT PERSON: Carolyn Lockett  
FINANCIAL REPORTING DONE BY: Carolyn Lockett

TOTAL HOME FUNDS REQUESTED:  
\$ 100,000.00  
TOTAL COST OF PROPOSED ACTIVITY: \$ 1,750,000.00  
WHAT OTHER FUNDING SOURCES HAVE BEEN IDENTIFIED FOR THIS PROJECT? SC Johnson Funds and Tax Credits  
WHAT FUNDING SOURCES HAVE BEEN CONFIRMED? None

PROVIDE A BRIEF SUMMARY OF THE PROPOSAL:  
The Cornerstone Building Better Lives Corporation proposes to redevelop the Love and Charity Mission located at 1031 Douglas Ave. Racine, Wisconsin 53402 to a mixed use housing multiplex. The mixed use will serve the homeless and the housing multiplex will consist of very low income to extremely low income housing units.

STATEMENT OF APPROVAL: Non-profit and For Profit Organizations.  
This proposal for HOME funds was considered and approved by our Board of Directors at a meeting at which a quorum was present on 11-12-07 and all information contained in the proposal is true and correct to the best of our knowledge:

Board President's Signature: Carolyn Lockett  
Board Treasurer's Signature: Arlee Mabone

STATEMENT OF APPROVAL: Government Agencies and Individuals.  
This proposal for HOME funds has been reviewed and approved for submission and all information contained in the proposal is true and correct to the best of my knowledge:  
Signature: Carolyn Lockett  
Title: President

**SECTION 1: NEEDS STATEMENT - Limit your response to the space provided.**

1) Describe the need in the City that this proposal will address.

The City of Racine statistics show that within Racine, there are about 15.7% (American Community Survey 2006) of individuals living below the poverty limits.

Love and Charity Project is located at 1031 Douglas Avenue in Racine, Wisconsin provides a comprehensive strategy to help improve the Douglas Avenue Revitalization Plan by redeveloping a community services located on one of the Racine's most important streets. This revitalization plan will address the needs of the community and address the vision and project goal of the city plan by providing service and housing for homeless. It stimulated self-sufficiency by transitioning homeless and low income individuals to multi-family permanent affordable and low income housing units.

2) Describe the basis on which you determined the need exists and identify the extent of the need.

The Love and Charity Mission has been in existence since 1965. The mission is the oldest homeless mission in the city of Racine. The Mission is open 24 hours a day, seven days a week, serving hundreds of homeless and low income families and individuals weekly. Based on the city of Racine's 2006 Homeless for the City of Racine currently has approx population of 1,200 homeless individuals and families. The new multi-family units will allow residents living at the shelter to transition into permanent housing and the residents within Racine's below poverty income rate to be able to rent affordable housing. When families are in need of food, clothing, and shelter they come to Love and Charity and receive hot meals, clothing and shelter.

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## SECTION 2: PROPOSAL OVERVIEW

Describe the activity(ies) for which funding is being requested. Include in the description what activities will take place, how the program will be administered, who will be served by the activities, and a timetable for the implementation of the proposal.

The activities for which funding is being requested for are architect's fees, engineering, permits, and other soft costs, holding costs, labor and materials, disposition costs, permits, organizational overhead, contractor profit contingencies and feasible studies.

	Estimated Time
Staking the lot	3-6 hours
Clearing and excavation	1-2 weeks
Ordering utilities, temporary electric service, and a portable toilet	1 hour
First inspection	1 day
Footings	2 days
Foundation and soil treatment /Foundation survey	1.5 weeks
Rough-ins for plumbing, Inspection	2 weeks
Slabs, basement, and garage	1 week
Framing and Drying-in	2 months
Exterior siding,trim, veneers	2 months
Chimneys and roofing	3 weeks
Rough-ins,	1 month
Insulation	3 weeks
Hardwood flooring and underlayment	1 month
Drywall	2 months
Priming walls and pointing up	2 weeks
Interior trim and cabinets	1 month
Painting	2 months
Other trims, such as Formica, ceramic tile, vinyl floors	1month
Trimming out, finishing plumbing, mechanical, electrical and hooking up utilities	1month
Cleanup	3 weeks
Carpet and/or hardwood floor finish	3 weeks
Lot black top	3 days
Landscaping	3 days
Final inspections, surveys,	3-4 days

**SECTION 3: COLLABORATION**

1) Describe the extent to which your proposal is consistent with the City of Racine's Consolidated Plan priority housing goals: promoting homeownership; rehabilitating or constructing affordable housing in target neighborhoods; preventing homelessness.

The Love and Charity Project Proposal is consistent with the City of Racine's Consolidated Plan priority housing goals by rehabilitating and/or constructing affordable housing in target neighborhoods and preventing homelessness in a targeted area within Downtown Racine (The Douglas Avenue Revitalization Plan by the Northside Revitalization Committee).

2) Describe how your proposal supports or complements the activities of other housing providers in Racine.

This proposal supports or complements the activities of other housing providers in Racine by addressing affordable multi housing units to the extremely low and very low income population. The housing units will coordinate a design plan that is in compliance with the desired area design.

**SECTION 4: BUDGET**

**BUDGET FOR ACTIVITIES PROPOSED FOR HOME FUNDING IN WHOLE OR IN PART:**

<b>REVENUES:</b>	
FUNDS REQUESTED FROM HOME PROGRAM	\$100,000.00
OTHER FUNDS: LIST SOURCE AND AMOUNT	
<u>SC Johnson Funds</u>	<u>\$ 500,000.00</u>
<u>4% Low Income House Credits</u>	<u>\$ 300,000 .00</u>
	<u>\$ .00</u>
<b>TOTAL REVENUES</b>	<b>\$ 900,000.00</b>
<b>EXPENSES: Attach a budget spreadsheet specifying the uses of the funding. For example, include acquisition, architect's fees, permits, and other soft costs, holding costs, labor and materials, disposition costs, permits, organizational overhead, contractor profit, contingencies, etc.</b>	

**Low Income Housing Tax Credit Explanation**

Crossroads has a consulting relationship with Impact Seven, Inc (I-7). I-7 will help Crossroads with obtaining 4% Low Income Housing Tax Credits (LIHTCs), and if feasible, an application for 9% LIHTCs. I-7 will also help Crossroads organize a Co-development and property management team. I-7 will also help Crossroads sell the tax credits to provide equity for the project. Conservatively, the noncompetitive 4% tax credits should provide approximately \$300,000 of equity for the project after deducting transaction costs for the rehab of the existing facility and the addition of twelve multifamily units that would be rented to low-income community members (Qualifying project expense of \$1.75MM). The 4% tax credits would provide approximately \$500,000 in equity if the current facility was razed and a new facility was built (Qualifying project expense of \$2.5MM). The amount of potential equity could be doubled if the project wins a competitive 9% LIHTC allocation from the Wisconsin Housing and Economic Development Authority (WHEDA). However, the tax credit option would only be viable if Johnson Wax and others were willing to finance the remaining projects costs with grants or equity. This project does not have enough income generation to use debt financing.



## Expenses Budget Sheet

### Exterior Façade:

New windows and doors	\$40,000.000
Recondition brick, tuck point	\$50,000.000
Signage	\$5,000.000
Miscellaneous. Exterior/landscape	\$10,000.000
New Roof	\$45,000.000
Second floor windows	\$10,100.000

### Mechanicals:

Electrical 11,000 SF x \$6.00 per/ft	\$66,000.000
HVAC 11, SF x \$8.00 per/ft	\$88,000.000
Plumbing 11,000 SF x \$4.00 per/ft	\$44,000.000
Fire Alarm System.	\$35,000.000

### Interiors:

New Community Room 2,000 SF x \$40.00 per/FT	\$80,000.000
Kitchen Upgrade	\$130,000.000
Dining Room 1,500 SF x \$40.00 per/ft	\$60,000.000
Offices, miscellaneous. Rooms 40x25= 1,000 SF x \$40.00 per/ft	\$40,000.000

### New Additions:

1) Care taker apartment	
2) 30' x 70' =2,100 SF	
3) Two bedrooms	
4) 1 story with potential to add second level	
5) Offices 2,100 SF x \$150.00 per/ft	\$325,000.000

Local Building Permit	\$2,000.000
New elevator to second level	\$160,000.000

Hazardous material abatement	\$40,000.000
contingency	\$40,000.000
Architectural drawings, preliminary	\$25,000.000
Rossi Construction preliminary cost estimates;	\$3,500.000
Store Front:Office,and Residence Entrance	\$55,000.000
Kitchen and Dinning Entrance	\$3,400.000
Community Room Entrance	\$2,000.000
New interior doors	\$13,000.000
Patch and paint residence areas	\$8,000.000
<b>Full baths second floor apartments</b>	<b>\$70,000.000</b>
<b>Restrooms first floor</b>	<b>\$50,000.000</b>
Provide new open storage with shelf and pole open shelving	\$15,000.000

### Basement and Laundry area:

Patch and paint existing to remain walls and ceilings	
Provide new new floor finishes	
Supply and install 10 new storage areas with ventilated solid core doors	
Install 6 new solid core wood doors	\$40,000.000

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Jobsite supervision	
Project management	
Plan copies	
Temporary sanitation	
Dumpsters	
Clean up	\$20,000.000
Contractors Profit	\$175,000.000
<b>Total Cost</b>	<b>\$1,750,000.000</b>