GENERAL APPLICATION

This application form should be used for projects seeking funding from City of Madison Request for Proposals **#2025-14027**: **Financing for Affordable Homeownership Development, Programs, and Services**. Applications must be submitted electronically to the City of Madison Community Development Division by **noon on September 26, 2025.** Email to: cddapplications@cityofmadison.com. Any questions, contact mdavila-martinez@cityofmadison.com.

APPLICANT INFORMATION

Applicant Name:	**Kaba Baal LLC**
Proposal Contact Name:	Kaba Bah
Email (Proposal Contact):	kbjdevelop@gmail.com
Financial Contact Name:	Kaba Bah
Email (Financial Contact):	kbjdevelop@gmail.com
Legal Status: ☐ Non-Profit X Private/For-Profit ☐ Other	
Federal EIN:	**47-3008601**
Registered on SAM? X Yes ☐ No	**SAM/ UEI #:**
Community Housing Development Organization?	Yes X No ☐ CHDO Application Attached

AFFIRMATIVE ACTION

If funded, applicant hereby agrees to comply with the City of Madison Ordinance 39.02 and file either an exemption or an affirmative action plan with the Department of Civil Rights. A Model Affirmative Action Plan and instructions are available at https://www.cityofmadison.com/civil-rights/contract-compliance/affirmative-action-plan.

LOBBYING REGISTRATION

Notice regarding lobbying ordinance: If you are seeking approval of a development that has over 40,000 gross square feet of non-residential space, or a residential development of over 10 dwelling units, or if you are seeking assistance from the City with a value of over $10,000 (this includes grants, loans, TIF, or similar assistance), then you likely are subject to Madison's lobbying ordinance, sec. 2.40, MGO. You are required to register and report your lobbying. Please consult the City Clerk for more information. Failure to comply with the lobbying ordinance may result in fines of $1,000 to $5,000. You may register at https://www.cityofmadison.com/clerk/lobbyists/lobbyist-registration.

CITY OF MADISON CONTRACTS

If funded, applicant agrees to comply with all applicable local, state and federal provisions. A sample contract that includes standard provisions may be obtained by contacting the Community Development Division at (608) 266-6520. If funded, the City of Madison reserves the right to negotiate the final terms of a contract with the selected agency.

SIGNATURE OF APPLICANT

Name Date: Momodou Kaba Bah September-25th-2025

By submitting this application, I affirm that the statements and representations are true to the best of my knowledge. By entering your initials in this box initials you are electronically signing your name as the submitter of the application and agree to the terms listed above.

ORGANIZATIONAL CAPACITY: COMPLETE ONCE

1. Describe your agency's experience with **current or past awards**, including challenges, successes, opportunities, and areas of improvement. If you are a **new applicant**, explain your capacity to undertake the proposed project and identify any resources, partnerships, or expertise you will rely on.

Kaba-Baal LLC is a Madison-based, minority-owned real estate development firm dedicated to advancing generational wealth and socio-economic well-being for marginalized communities through affordable homeownership. With more than 15 years of experience in the local market, we specialize in affordable housing development across Madison and the surrounding areas. Our CEO brings extensive credentials—including licenses in real estate sales, brokerage, and general contracting—and is an alumnus of the ACRE program.

Kaba-Baal LLC has a proven track record of successful partnerships. Most recently, we collaborated with the Madison Area Community Land Trust (MACLT) and the City of Madison to deliver four new affordable homes in the Owl Creek neighborhood. This initiative not only strengthened our partnerships but also refined our financing, project management, and subcontractor coordination processes, ensuring a more efficient and scalable development approach.

In addition, in partnership with Cinnaire Solutions, we successfully rehabilitated 105 units of affordable housing at the Rethke and Tree Lane properties in Madison. These experiences demonstrate our ability to deliver both new construction and large-scale rehabilitation projects that address the city's urgent housing needs.

Building on this foundation, our team is fully prepared and "shovel-ready" to deliver the proposed four-unit affordable housing project within the designated timeframe. We bring a strong, aligned partnership, the necessary resources, and deep community knowledge to ensure the creation of high-quality, sustainable housing that meets or exceeds all requirements.

2. Do you or any team members have outstanding legal matters or ongoing litigation? If so, provide brief details. Specifically, list:
   a. Any foreclosure, default, or bankruptcy within the past ten years.
   b. Any litigation related to financing or construction projects within the past five years.
   c. Any Chronic Nuisance Abatement or Nuisance Case notifications issued by the Madison Police Department or Building Inspection within the past five years.
   d. Any unresolved Building Inspection citations resulting in Municipal Court Complaints within the past five years.

e. Any litigation with the City of Madison, or within the State of Wisconsin, within the past five years.

No

SUBMIT THE FOLLOWING QUESTIONS FOR EACH PROJECT PROPOSAL.

PROPOSAL #2

1. PROJECT SUMMARY	
Name of Proposal:	Development- Acquisition/Rehab for owner occupied purpose.
Proposal Type:	Development- Acquisition/Rehabilitation.
Proposal Summary:	Kaba-Baal LLC, a Madison-based, minority-owned real estate development company, proposes to acquire, rehabilitate, and resell **four (4) existing housing units** within the City of Madison to income-eligible homebuyers earning at or below 80% AMI. Upon rehabilitation, homes will be marketed and sold to income-eligible buyers following the RFP Guidelines set for the non-permanent path. ● **Timeline:** All activities will be completed within a two-year window, from acquisition to rehabilitation, inspection, and resale. ● **Geographic Focus:** Properties will be targeted in Madison neighborhoods with high demand for affordable housing and accessible transit, schools, and services. ● **Viability:** Viability for rehabilitation in alignment with City of Madison Residential Rehabilitation Standards. ● **Accessibility:** Accessibility for BIPOC, immigrant, and first-generation households earning at or below **80% AMI**. The homes will serve: ● Households earning at or below 80% AMI, with targeted outreach to those earning between 50–70% AMI. ● Households disproportionately excluded from Madison's housing market.

	● First-generation homebuyers and single-parent households seeking long-term stability. ● Individuals with disabilities requiring accessible design features. The project is designed to be completed within a **two-year window**, meeting all City and HUD standards for rehabilitation, sustainability, accessibility, and affordability. This initiative will directly address Madison's growing housing affordability crisis by converting underutilized housing into safe, efficient, and accessible homes for first-generation homebuyers, BIPOC households, immigrants, people with disabilities, and single-parent families. This aligns with the City's Housing Forward Initiative and RFP priorities to reduce racial disparities in homeownership and expand affordable ownership opportunities.

Number of households served:	4
Amount Requested from CDD:	$800,000.00
Total Proposal Budget:	$1,319,600.00

1A. DEVELOPMENT PROPOSAL ONLY

Specify the target price of project homes (estimate):	$ __225,000.00___
Will the homes be permanently affordable? [Yes/No]	No
Do you have site control? [Yes/No]	N/A (License to hunt)
If yes, what is the site address:	_____
Is the site currently occupied?	_____
If proposing to build on Owl Creek Vacant Lots detailed above, list addresses of lots. If interested in all six lots, write "All".	_____

2. PROJECT DESIGN

List any features that make your proposal unique.

- For **Development Proposals** - Provide a detailed description of the **sustainability** and **accessibility** features incorporated into the project design, including their estimated incremental costs to construction. If any of the required sustainability or accessibility features **cannot** be met, explain why they are not feasible for this project.
  - If you are proposing **additional** sustainability or accessibility features that exceed the standard requirements, specify:
    - The specific features being added
    - How many units will include these enhancements

- The estimated incremental cost associated with these enhancements

- For **Programs/Services** - What innovative or unique elements will your program include to enhance its impact or reach? For example, describe any targeted partnerships, culturally specific approaches, scalability features, or methods of tailoring services to meet the diverse needs of the community (e.g., income levels, racial/ethnic groups, or other demographics). How do these features set your program apart from others?

This project will fully comply with the City's acquisition/rehabilitation requirements, including:

- **Residential Rehabilitation Standards:** All properties will undergo inspection, with scope of work aligned to City rehabilitation standards and building codes.
- **Housing Inspections:** Each home will pass final housing inspection (NSPIRE or equivalent) prior to sale.
- **Accessibility:** Feasible accessibility upgrades will be incorporated, including no-step entry where possible, widened doorways, lever handles, and reinforced bathroom walls.
- **Sustainability Standards (minimum 7 features):**
  - Replacement of knob-and-tube wiring if present
  - LED lightbulbs throughout
  - Air-sealed attic
  - Air infiltration rate ≤ ACH50 3.0
  - Wall insulation: R-20 cavity + R-5 continuous
  - Bathroom/kitchen fans with required CFM
  - Elimination of wood, propane, or oil heating (installing only electric/heat pump systems)
- **MWDBE Reporting:** Kaba-Baal LLC will track and report utilization of Minority, Women, and Disadvantaged Business Enterprises across subcontracting, professional services, and material suppliers.

3. PROJECT READINESS

Provide a summary of the steps already completed and those remaining to demonstrate project readiness.

- For **development proposals**, include land acquisition, financing, zoning approvals, or other pre-construction milestones. Reminder that multi-family proposals have additional requirements including pre-application meeting and DAT meeting that should be included in the timeline.
- For **programs and services**, include steps such as participant outreach plans, hiring and training staff, securing partnerships, timeline for utilizing funds, or developing program materials.

Project Readiness:

Our development team has taken proactive steps to advance this four-unit multifamily project and position it for timely and successful delivery. Below is a summary of milestones completed to date, as well as those that remain:

Steps Completed to Date

- **Site Control:** . We will seek to be granted and will comply with the two-year window to acquire, rehab, and sell.
-
- **Financing Preparation:** We have already developed a preliminary financing strategy that includes private equity and City funding. Initial discussions with lending partners have confirmed feasibility within the proposed budget.
- **Pre-Application Meetings:** Attended a City virtual session and held a direct meeting with City staff on **September 23, 2025** to clarify project-related questions. Our team has also reviewed and are very familiar with the rehab process within the city of Madison. All of which confirmed project feasibility.
- **Concept Design:** Rehab projects are generally case by case but we are planning to incorporate ENERGY STAR® construction standards and proposed enhancements such as universal design and high-efficiency heat pump systems wherever possible.
- **Development Assistance Team (DAT):** We are already on the calendar and are scheduled for a meeting on **October 2, 2025** to confirm compliance, building code, sustainability, and accessibility requirements.

Remaining Steps (Anticipated Timeline)

- **Final Financing Commitments (Q1 2026):** Secure firm commitments from private lenders and finalize City funding requests. Partner discussions have already taken place, and there is strong support for this project.

4. PROJECT FEASIBILITY – Developer/Administrator Capacity

Identify team members / partnerships for this project, along with their relevant training, certifications, licenses, experience, and contribution to the proposed project.

Project Team Overview:
Our multidisciplinary team brings together experienced professionals in development, architecture, construction, and legal counsel, each with proven expertise in delivering high-quality, sustainable, and accessible multifamily housing projects. Within the past 12 months, we have successfully completed major rehab on over 105 units within the city of Madison in partnership with Cinaire Solutions (ENSO “formally Rethke, 60units” Treelane “formally Treelane apartments, 45units”).

Narrative Description:
Our project team is comprised of experienced professionals with complementary expertise. Each member brings specialized training, certifications, and proven experience to ensure the success of this four-unit multifamily development.

- **Developer – Kaba Bah, Kaba-Baal LLC Real Estate**
    - Oversees all phases of development, including financing, stakeholder engagement, and compliance with City of Madison funding requirements.

- **Architect – Kirk Keller, Plunkett Raysich Architects, LLP**
    - Leads building design, preparation of construction documents, and integration of universal design features and high-efficiency mechanical systems.

- **General Contractor – Jeff Lee, Lee Real Estate Services LLC**
    - Provides preconstruction services, cost estimating, scheduling, and construction execution.

- **Legal Counsel – Joseph Shumow, Reinhart Boerner, Van Deuren S.C.**
    - Oversees legal aspects of land acquisition, zoning approvals, financing documents, and regulatory compliance.

5. PROJECT FEASIBILITY – Financial Capacity

Explain your approach to fulfilling financial obligations for the proposal, including any secured funding:

- For **development proposals:** Address developer equity, construction financing, other funding sources you are leveraging, and subsidy needs.
- For **programs/services proposals**: Address management of program costs, staff compensation, other sources of funding you are leveraging, and operational sustainability.

The project will utilize a layered financing structure:

- Developer Equity: Kaba-Baal LLC will contribute 5–10% equity during construction to strengthen the capital stack.

- Private Financing: A regional lender will provide construction financing with seamless conversion to permanent financing upon resale.

- City of Madison Funding: Requested gap financing will cover incremental costs of accessibility and sustainability enhancements, ensuring permanent affordability for low- to moderate-income households.

- Utility Incentives/Rebates: Pursuit of Focus on Energy incentives and other rebates to offset energy-efficiency improvements.

This balanced approach ensures financial stability, leveraging both public and private resources for maximum impact. Any unallocated funds will be returned to the city at the time of transfer to a home buyer.

6. PROJECT FEASIBILITY – Project Management and Timeline

Provide a project timeline for the contract term, including key milestones:
- For **development proposals:** real estate acquisition, bid process, construction start/end, marketing, and unit sale completion, etc. (2 year-max timeline)
- For **programs/services proposals:** marketing, outreach, service delivery, completions, etc. (annual timeline)

Project Feasibility – Project Management and Timeline

The project is designed to be delivered within a two-year contract term, with milestones carefully sequenced to ensure efficiency, compliance, and timely completion.

Year 1 (Pre-Development and Approvals)

- **Q1 2026** – Finalize site control / land acquisition

- **Q1 2026** – Pre-application meeting with City staff

- **Q2 2026** – Development Assistance Team (DAT) meeting

- **Q2 2026** – Complete rehab design and preliminary budget

- **Q2 2026** – Submit plan approvals and secure entitlements
- **Q3 2026** – Finalize construction drawings and specifications
- **Q3 2026** – Secure construction financing and finalize subsidy agreements
- **Q4 2026** – Competitive bid process and contractor selection
-

Year 2 (Construction and Selling)

- **Q1 2027** – Groundbreaking and construction/rehab start
- **Q2 2027** – Perform inspections and correct as needed
- **Q3 2027** – Substantial completion of units, punch-list review
- **Q3–Q4 2027** – Marketing and sale of units
- **Q4 2027** – Project closeout, final compliance reporting, stabilization

Summary

This timeline reflects a realistic pathway for a small multifamily development, accounting for City pre-development requirements (pre-application and DAT meetings), financing and bid processes, and full construction/home ownership within 24 months.

7. COMMUNITY NEED

Alignment: Explain how your project aligns with the City's goals for affordable housing and community development and identify the target population served for your project (including income levels and demographic factors). Note if your proposal aligns with any of the preferences identified in the RFP.

Alignment:

This project will add four new permanently affordable homes, all reserved for households earning below 80% of Area Median Income (AMI). By prioritizing very low- to moderate-income households, the project directly aligns with the City of Madison's goals and RFP preferences for addressing the housing needs of residents most impacted by affordability challenges.

The targeted populations include first-generation homebuyers, single-parent households, people with disabilities, and communities of color—groups that continue to experience disproportionate barriers to homeownership and long-term housing stability.

Economic Mobility: How will your proposal help participants or residents achieve economic mobility, particularly in underserved communities?

- For **development proposals**, explain how the project aligns with the income levels of the area (describe what the median income of the census tract where the development will be located) and promotes generational wealth-building and well-being.
- For **programs/services proposals**, describe how your program fosters financial empowerment and economic mobility through education, support, or direct assistance.

Our proposal promotes economic mobility by creating affordable homeownership opportunities in a census tract where median household income is below the county average. Homes will be priced to serve households earning **60–80% AMI**, ensuring accessibility for working families in underserved communities.

Through acquisition and rehabilitation, the project will:

- Enable families to transition from renting to ownership, building equity and generational wealth.
- Improve neighborhood stability and well-being through quality, sustainable, and accessible housing.
- Lower long-term costs for residents with energy-efficient and resilient features.
- Prioritize minority- and women-owned contractors, reinvesting project dollars in the community.

By aligning with local income levels and emphasizing both affordability and sustainability, the project provides residents with the stability and wealth-building tools necessary to achieve long-term economic mobility.

Expand: Explain how your project will expand opportunities for first-time homebuyers and reduce existing disparities in rates of homeownership between different segments of the Madison population.

Our project expands opportunities for first-time homebuyers by converting vacant or underutilized properties into high-quality, affordable homes targeted to households earning 60–80% AMI. By doing so, we directly address the affordability gap that has historically limited access to homeownership for working families in Madison.

Key strategies include:

- Affordability for First-Time Buyers: Homes will be priced below market to meet the needs of moderate-income families, lowering barriers to entry for those who have traditionally been excluded from ownership.

- Reducing Racial and Economic Disparities: Madison has persistent gaps in homeownership rates, particularly among Black, Latino, and immigrant households. Our proposal focuses on underserved census tracts and intentionally integrates outreach to first-generation buyers to narrow these disparities.

- Wealth-Building and Stability: Homeownership is the most effective means of building generational wealth. By providing affordable entry points, this project ensures more families can stabilize their housing costs, accumulate equity, and transfer wealth across generations.

- Inclusive Development Practices: We will partner with minority- and women-owned contractors throughout the rehabilitation process, ensuring that the economic benefits of this project extend beyond new homeowners to the broader community.

- Education and Support: The program will connect buyers to financial counseling, homebuyer education, and post-purchase support to promote long-term success and stability.

By creating attainable housing opportunities in alignment with community income levels, our project reduces systemic barriers and opens pathways for first-time, underserved households to achieve the stability and wealth-building benefits of homeownership.

SUBMIT THE FOLLOWING QUESTIONS FOR EACH PROJECT PROPOSAL.

PROPOSAL #1

1. PROJECT SUMMARY

Name of Proposal:	Permanently Affordable Homeownership Development
Proposal Type:	Development- New Construction
Proposal Summary:	With this award, Madison Area Community Land Trust (MACLT), in partnership with affordable housing developer Kaba-Baal LLC, will add four homes to the land trust portfolio. Our first preference is to construct four attached units at **4301 & 4307 Valor Way**, a parcel our team has already evaluated and confirmed as suitable for this development. If that site is not available, our second preference is **5109 Horned Owl Drive**, and our third preference is **5133 & 5117 Great Gray Drive** in the Owl Creek neighborhood. Should land availability shift, funds may also be directed to acquisition-rehabilitation projects to ensure timely delivery of affordable homes. These new homes will expand MACLT's existing portfolio of 64 permanently affordable units. As with all MACLT properties, resale restrictions will keep them affordable in perpetuity, helping stabilize neighborhood values while ensuring lasting affordability in Madison's rapidly escalating housing market. The homes will prioritize BIPOC and immigrant households at 50–80% AMI, along with individuals with disabilities. By providing affordable ownership opportunities, families who might otherwise be limited to renting will gain the ability to build equity, modest wealth, and long-term stability, supported by MACLT's stewardship model. Additionally, we are pursuing resources to ensure at least two of the homes are equipped with solar panels and accessibility features. These improvements will promote sustainability, enhance accessibility, and deliver lasting benefits to future generations of homeowners, strengthening both neighborhood resilience and Madison's affordable housing ecosystem.
Number of households served:	4
Amount Requested from CDD:	$ 800,000.00

Total Proposal Budget:	$ 1,634,351.00

1A. DEVELOPMENT PROPOSAL ONLY	
Specify the target price of project homes (estimate):	$ 225,000.00
Will the homes be permanently affordable? [Yes/No]	Yes
Do you have site control? [Yes/No]	N/A (city lots)
If yes, what is the site address:	N/A
Is the site currently occupied?	No
If proposing to build on Owl Creek Vacant Lots detailed above, list addresses of lots. If interested in all six lots, write "All".	4301 & 4307 Valor Way (1st preference. Our team has looked into this parcel and confirmed we can do 4 units here). 5109 Horned Owl Dr (2nd preference). 5133 & 5117 Great Gray Dr (3rd preference).

2. PROJECT DESIGN

List any features that make your proposal unique.

- For **Development Proposals** - Provide a detailed description of the **sustainability** and **accessibility** features incorporated into the project design, including their estimated incremental costs to construction. If any of the required sustainability or accessibility features **cannot** be met, explain why they are not feasible for this project.
    - If you are proposing **additional** sustainability or accessibility features that exceed the standard requirements, specify:
        - The specific features being added
        - How many units will include these enhancements
        - The estimated incremental cost associated with these enhancements
- For **Programs/Services** - What innovative or unique elements will your program include to enhance its impact or reach? For example, describe any targeted partnerships, culturally specific approaches, scalability features, or methods of tailoring services to meet the diverse needs of the community (e.g., income levels, racial/ethnic groups, or other demographics). How do these features set your program apart from others?

Sustainability & Accessibility:

Our proposed four-unit attached townhome development is designed to exceed baseline requirements by integrating advanced sustainability and accessibility features that improve long-term affordability, reduce environmental impact, and promote inclusivity.

Baseline Compliance (already included):

- All units will be built to ENERGY STAR® standards, ensuring reduced energy consumption and lower resident utility costs.
- All units will meet ADA accessibility requirements, in full compliance with federal and state law.

Additional Features Beyond Requirements:

1. **Universal Design Enhancements**
   - **Features Added:** Wider doorways (36"), no-step entries, lever handles, reinforced bathroom walls for future grab bars, and maneuvering clearances in kitchens and bathrooms. All 4 units will include universal design elements, providing flexibility for residents of all ages and abilities.
2. **High-Efficiency Electric Heat Pumps currently being considered.**
   Features Added: Ducted electric heat pumps for space heating and cooling, providing greater energy efficiency than traditional HVAC systems and supporting Madison's decarbonization goals. All 4 units will have these features.

Total Incremental Cost for Enhancements: Approximately **$6,000 per unit**, or **$24,000 across all four units (already built into pro-forma)**.

3. PROJECT READINESS

Provide a summary of the steps already completed and those remaining to demonstrate project readiness.

- For **development proposals**, include land acquisition, financing, zoning approvals, or other pre-construction milestones. Reminder that multi-family proposals have additional requirements including pre-application meeting and DAT meeting that should be included in the timeline.
- For **programs and services**, include steps such as participant outreach plans, hiring and training staff, securing partnerships, timeline for utilizing funds, or developing program materials.

Project Readiness:

Our development team has taken proactive steps to advance this four-unit multifamily project and position it for timely and successful delivery. Below is a summary of milestones completed to date, as well as those that remain:

Steps Completed to Date

- **Site Control:** Engaged with the City of Madison through its application process to secure available city-owned lots.

- **Financing Preparation:** Developed a preliminary financing strategy that includes private equity and City funding. Initial discussions with lending partners have confirmed feasibility within the proposed budget.

- **Pre-Application Meetings:** Attended a City virtual session and held a direct meeting with City staff on **September 23, 2025** to clarify project-related questions. Reviewed concept plan, zoning alignment, and design considerations, all of which confirmed project feasibility.

- **Concept Design:** Began initial architectural sketches, incorporating ENERGY STAR® construction standards and proposed enhancements such as universal design and high-efficiency heat pump systems.

- **Development Assistance Team (DAT):** Engaged the DAT and scheduled a meeting for **October 2, 2025** to confirm compliance with zoning, building code, sustainability, and accessibility requirements.

Remaining Steps (Anticipated Timeline)

- **Zoning and Land Use Approvals (Q4 2025):** Submit formal zoning application and design review for approval.

- **Final Financing Commitments (Q1 2026):** Secure firm commitments from private lenders and finalize City funding requests. Partner discussions have already taken place, and there is strong support for this project.

4. PROJECT FEASIBILITY – Developer/Administrator Capacity

Identify team members / partnerships for this project, along with their relevant training, certifications, licenses, experience, and contribution to the proposed project.

Project Team Overview:
Our multidisciplinary team brings together experienced professionals in development, architecture, construction, and legal counsel, each with proven expertise in delivering high-quality, sustainable, and accessible multifamily housing projects.

Narrative Description:
Our project team is com\prised of experienced professionals with complementary expertise. Each member brings specialized training, certifications, and proven experience to ensure the success of this four-unit multifamily development.

- **Stewardship – Deaken Boggs, Madison Area Community Land Trust**

- Oversees all phases of compliance post construction, including marketing, selecting buyers, 99-year LURA implementations and navigating resale process.

- **Developer – Kaba Bah, Kaba-Baal LLC Real Estate**
  - Oversees all phases of development, including financing, stakeholder engagement, and compliance with City of Madison funding requirements.

- **Architect – Kirk Keller, Plunkett Raysich Architects, LLP**
  - Leads building design, preparation of construction documents, and integration of universal design features and high-efficiency mechanical systems.

- **General Contractor – Bernie Lange, National Construction (JG Development)**
  - Provides preconstruction services, cost estimating, scheduling, and construction execution.

- **Legal Counsel – Joseph Shumow, Reinhart Boerner, Van Deuren S.C.**
  - Oversees legal aspects of land acquisition, zoning approvals, financing documents, and regulatory compliance.

5. PROJECT FEASIBILITY – Financial Capacity

Explain your approach to fulfilling financial obligations for the proposal, including any secured funding:

- For **development proposals:** Address developer equity, construction financing, other funding sources you are leveraging, and subsidy needs.
- For **programs/services proposals**: Address management of program costs, staff compensation, other sources of funding you are leveraging, and operational sustainability.

Financial Capacity:
The project will be supported through a layered financing structure that integrates developer equity, private construction and permanent financing, and targeted public subsidies. Kaba-Baal LLC will contribute approximately 10–15% equity during the construction phase, demonstrating commitment and strengthening the overall capital stack. The balance of construction financing will be secured through a regional lending partner, with seamless conversion to permanent financing at project completion.

To advance sustainability, the development team will pursue utility incentives and energy-efficiency rebates to offset the costs of heat pumps, ENERGY STAR® construction, and other green features. Additionally, gap financing from the City of Madison is requested to support universal design elements and sustainability enhancements, ensuring that the homes remain permanently affordable.

This comprehensive and balanced financing approach provides both stability and flexibility, positioning the project for on-time delivery and long-term success.

Financial Approach

Our approach to fulfilling financial obligations for this project is structured to ensure stability, feasibility, and long-term affordability. We are pursuing a layered financing strategy that combines developer equity, private financing, and public subsidies.

Developer Equity

- Kaba-Baal LLC Real Estate will contribute direct equity into the project through pre-development and deferred developer fees to demonstrate commitment and reduce reliance on external financing. Developer equity is anticipated at **approximately 5-10% of total project costs**, subject to final budget confirmation.

Construction Financing

- We are in active discussions with local lending institutions to secure a construction loan.
- Preliminary conversations with Lakeridge Bank have confirmed project viability and alignment with underwriting requirements.
- Construction financing will be repaid at project completion through conversion to permanent financing.

Permanent Financing & Other Funding Sources

- Permanent financing is anticipated through a conventional mortgage loan sized to project match the targeted AMI for affordability (at or below 80% AMI) .
- Additional resources such as energy efficiency incentives (for high-efficiency heat pumps and ENERGY STAR® construction) and potential utility rebates will be leveraged to offset upfront incremental costs.

Public Subsidy Needs

- We are seeking gap financing from the City of Madison to make this small-scale multifamily project feasible and affordable to qualified buyers as stated in the RFP.

- Requested City funds will be used to:

  - Offset incremental costs of universal design and sustainable features.

  - Reduce debt service obligations to maintain long-term affordability for residents.

Summary

By combining developer equity, secured construction financing, permanent debt, utility incentives, and City subsidy, this proposal establishes a financially sound structure that balances feasibility with affordability. Our layered approach ensures the project can be delivered on schedule and sustained for the long term.

6. PROJECT FEASIBILITY – Project Management and Timeline

Provide a project timeline for the contract term, including key milestones:

- For **development proposals:** real estate acquisition, bid process, construction start/end, marketing, and unit sale completion, etc. (2 year-max timeline)
- For **programs/services proposals:** marketing, outreach, service delivery, completions, etc. (annual timeline)

Project Feasibility – Project Management and Timeline

The project is designed to be delivered within a two-year contract term, with milestones carefully sequenced to ensure efficiency, compliance, and timely completion.

Year 1 (Pre-Development and Approvals)

- **Q1 2026** – Finalize site control / land acquisition

- **Q1 2026** – Pre-application meeting with City staff

- **Q2 2026** – Development Assistance Team (DAT) meeting

- **Q2 2026** – Complete schematic design and preliminary budget

- **Q2 2026** – Submit zoning/plan approvals and secure entitlements

- **Q3 2026** – Finalize construction drawings and specifications
- **Q3 2026** – Secure construction financing and finalize subsidy agreements
- **Q4 2026** – Competitive bid process and contractor selection
-

Year 2 (Construction and Lease-Up)

- **Q1 2027** – Groundbreaking and construction start
- **Q2 2027** – Vertical construction and inspections underway
- **Q3 2027** – Substantial completion of units, punch-list review
- **Q3–Q4 2027** – Marketing and lease-up of units
- **Q4 2027** – Project closeout, final compliance reporting, stabilization

Summary

This timeline reflects a realistic pathway for a small multifamily development, accounting for City pre-development requirements (pre-application and DAT meetings), financing and bid processes, and full construction/home ownership within 24 months.

7. COMMUNITY NEED

Alignment: Explain how your project aligns with the City's goals for affordable housing and community development and identify the target population served for your project (including income levels and other demographic factors). Note if your proposal aligns with any of the preferences identified in the RFP.

Alignment:

This project will add four new permanently affordable homes, all reserved for households earning below 80% of Area Median Income (AMI). By prioritizing very low- to moderate-income households, the project directly aligns with the City of Madison's goals and RFP preferences for addressing the housing needs of residents most impacted by affordability challenges.

The targeted populations include first-generation homebuyers, single-parent households, people with disabilities, and communities of color—groups that continue to experience disproportionate barriers to homeownership and long-term housing stability.

Madison Area Community Land Trust's (MACLT) equity-focused point system, implemented in 2020, further reinforces this commitment. Since adoption, MACLT has increased the share of

buyers of color from 39% to 67% while reducing the average buyer income from 60% AMI to 49%. These outcomes highlight our proven ability to reach households most in need and ensure equitable access to affordable homeownership opportunities.
Economic Mobility: How will your proposal help participants or residents achieve economic mobility, particularly in underserved communities? ● For **development proposals**, explain how the project aligns with the income levels of the area (describe what the median income of the census tract where the development will be located) and promotes generational wealth-building and well-being. ● For **programs/services proposals**, describe how your program fosters financial empowerment and economic mobility through education, support, or direct assistance.
These permanently affordable homes are designed to create long-term pathways to economic mobility for low- and moderate-income households, particularly those who have historically been excluded from homeownership opportunities. These homes will allow first-time and first-generation buyers to build equity and stability while keeping housing permanently affordable for future generations. Each family will have the opportunity to accumulate savings through predictable housing costs, avoid displacement, and pass on housing security to their children. Over time, MACLT's model ensures that the benefits of affordable homeownership are multiplied: on average, CLT homes transfer to a new income-qualified household every 15 years, meaning each home will serve multiple families over the course of its lifespan.
Expand: Explain how your project will expand opportunities for first-time homebuyers and reduce existing disparities in rates of homeownership between different segments of the Madison population.
MACLT's model is specifically designed to reduce disparities in homeownership rates between different segments of the population. Through their equity-based buyer selection policy, adopted in 2020, MACLT prioritizes first-generation buyers, households at risk of displacement, and those with permanent disabilities. This system has produced measurable results: the average income of our buyers has dropped from 60% to 49% of AMI, and the percentage of homeowners of color has increased from 39% to 67%. For comparison, in Dane County overall, 84% of residents are white and only 16% are people of color.

This document was exported from Numbers. Each table was converted to an Excel worksheet. All other objects on each Numbers sheet were placed on separate worksheets. Please be aware that formula calculations may differ in Excel.

Numbers Sheet Name	Numbers Table Name	Excel Worksheet Name
Instructions		
	Table 1	Instructions
1. Agency Overview		
	Table 1	1. Agency Overview
2. Dev Budget		
	Table 1	2. Dev Budget
3. Summary-Dev		
	Table 1	3. Summary-Dev
Program A		
	Table 1	Program A
Program B		
	Table 1	Program B
Program C		
	Table 1	Program C
AppIV-Summ		
	Table 1	AppIV-Summ
AppIV-PgExp		
	Table 1	AppIV-PgExp

This budget workbook is for RFP Responses to the **2025 RFP: Financing for Affordable Homeownership Development, Progran**

INSTRUCTIONS:

If you are submitting proposals for Development, Programs/Services, or both: submit one budget workbook with budgets for e

DEVELOPMENT	Development budget workbook can be found in the **PURPLE** tabs below.
PROGRAMS	Programs/Services budget workbook can be found in the **GREEN** tabs below.

Fill in only the yellow cells ->	**FILL**
DO NOT FILL blue cells ->	**DO NOT FILL**

Lead Applicant: KABA-BAAL LLC

1. AGENCY OVERVIEW

This chart describes your agency's total budget for 3 separate years. Where possible, use audited figures for 2023 Actual.

Account Description	2023 Actual	2024 Budget	2025 Proposed
A. PERSONNEL			
Salary (including benefits)	-	65,000	70,250
Taxes		16,680	19,325
Subtotal A	**-**	**81,680**	**89,575**
B. OPERATING			
All "Operating" Costs	124,347	154,365	210,435
Subtotal B	**124,347**	**154,365**	**210,435**
C. SPACE			
Rent/Utilities/Maintenance	20,154	23,564	25,438
Mortgage/Depreciation/Taxes	56,435	79,557	98,234
Subtotal C	**76,589**	**103,121**	**123,672**
D. SPECIAL COSTS			
Subcontracts	124,981	143,256	214,329
Deposits to Reserves	12,000	12,000	12,000
Debt Service (Excl Mortgage)			
Other: (Specify)			
Subtotal D	**136,981**	**155,256**	**226,329**
Total Operating Expenses:	**337,917**	**494,422**	**650,011**

REVENUE							
Direct Public Grants							
Direct Public Support							
Indirect Public Support	-	35,000					
Miscellaneous Revenue	215,897	287,645	298,546				
Restricted Funds Released							
Program Income	169,832	244,236	433,782				
Total Income	**385,729**	**566,881**	**732,328**				
Net Income	**47,812**	**72,459**	**82,317**				

Lead Applicant:	Kaba-Baal LLC			
Summary				
Total Units	4			
Total Gross SF	8,000			
		Total	**Per Unit**	**Per Sq Ft**
Committed Sources of Funds	Detail			
Permanent Financing - 1st Lien:		$ 709,351	$ 177,338	$ 88.67
Permanent Financing - 2nd Lien:		$ -	$ -	$ -
Other:		$ -	$ -	$ -
Developer equity		$ 125,000	$ 31,250	$ 15.63
Total Committed Sources of Funds		$ 834,351	$ 208,588	$ 104.29
Pending/Proposed Sources of Funds				
City of Madison CDD Funds		$ 800,000	$ 200,000	$ 100.00
Bank financing	Construction loan	$ -	$ -	$ -
Other:		$ -	$ -	$ -
Total Pending/Proposed Sources of Funds		$ 800,000	$ 200,000	$ 100.00
Total Sources of Funds		$ 1,634,351	$ 408,588	$ 204.29
Uses of Funds				
Acquisition				
Purchase Price		$ 1	$ 0	$ 0
Earnest Money		$ -	$ -	$ -
Appraisal Costs		$ 2,000	$ 500	$ 0
Closing Fees		$ 3,500	$ 875	$ 0
Title Insurance		$ 950	$ 238	$ 0

Title Search	$ 450	$ 113	$ 0
Transfer Taxes	$ -	$ -	$ -
Financing Fees	$ -	$ -	$ -
Other:	$ -	$ -	$ -
Other:	$ -	$ -	$ -
Total Acquisition	$ 6,901	$ 1,725	$ 1
Hard Costs			
General Requirements	$ 10,000	$ 2,500	$ 1.25
Demolition	$ 1,500	$ 375	$ 0.19
Site Work	$ 80,000	$ 20,000	$ 10.00
Offsite Improvements	$ 150,000	$ 37,500	$ 18.75
Environmental Remidiation	$ 1,000	$ 250	$ 0.13
Construction	$ 970,400	$ 242,600	$ 121.30
Builder's Overhead	$ 50,000	$ 12,500	$ 6.25
Bond Premium	$ -	$ -	$ -
Building Permits	$ 4,450	$ 1,113	$ 0.56
Other:	$ -	$ -	$ -
Other:	$ -	$ -	$ -
Hard Cost Contigency (%) of Hard Costs	$ 80,000	$ 20,000	$ 10.00
Total Hard Costs	$ 1,347,350	$ 336,838	$ 168.42
Fees			
Developer Fee	$ 80,000	$ 20,000	$ 10.00
Architectural Fee (Design & Admin)	$ 6,000	$ 1,500	$ 0.75
Legal	$ 7,000	$ 1,750	$ 0.88
Civil Engineering & Survey	$ 35,000	$ 8,750	$ 4.38
Design & Permitting	$ 2,000	$ 500	$ 0.25
Soils/Structural Report	$ 1,200	$ 300	$ 0.15
Environmental Reports	$ 3,000	$ 750	$ 0.38
Energy & Green Audits/Consulting	$ -	$ -	$ -

Capital Needs Assessment	$ -	$ -	$ -
Bridge Loan Fee	$ -	$ -	$ -
Organizational Fee	$ -	$ -	$ -
Syndication Fee	$ -	$ -	$ -
Appraisal	$ -	$ -	$ -
Market Study	$ 3,000	$ 750	$ 0.38
Cost Certification	$ -	$ -	$ -
Other:	$ 25,000	$ 6,250	$ 3.13
Other:	$ 20,000	$ 5,000	$ 2.50
Total Fees	$ 182,200	$ 45,550	$ 22.78
Miscellanous Development Expenses			
Utility Tap, Hook Up, Municipal Fees	$ 4,000	$ 1,000	$ 0.50
Lease Up Reserve (If lease component in Project)	$ -	$ -	$ -
Relocation	$ -	$ -	$ -
Other: Sustainability Features	$ 5,000	$ 1,250	$ 0.63
Other: Accesibility Features	$ 3,000	$ 750	$ 0.38
Total Miscellanous Development Expense	$ 12,000	$ 3,000	$ 1.50
Construction & Permanent Loan Financing Charges			
Construction Loan Interest	$ 36,000	$ 9,000	$ 4.50
Construction Loan Fees (Origination, Credit Enhacementss, App)	$ 12,000	$ 3,000	$ 1.50
Taxes During Construction	$ 1,000	$ 250	$ 0.13
Insurance During Construction	$ 5,000	$ 1,250	$ 0.63
Title Insurance	$ 1,000	$ 250	$ 0.13
Recording	$ 500	$ 125	$ 0.06
Construction Monitoring Fee	$ 2,400	$ 600	$ 0.30
Permanent Loan Fees	$ -	$ -	$ -
Other:	$ 3,000	$ 750	$ 0.38
Other:	$ -	$ -	$ -
Soft Costs Contigency (excl. Dev Fee)	$ 10,000	$ 2,500	$ 1.25

Total Construction & Financing Charges	$ 70,900	$ 17,725	$ 8.86
Total Development Costs	$ 1,619,351	$ 404,838	$ 202.42
Transaction Fees			
Real Estate Agent Fee	$ 12,000.00	$ 3,000.00	$ 1.50
Marketing Fee	$ 3,000.00	$ 750.00	$ 0.38
Other:	$ -	$ -	$ -
Other:	$ -	$ -	$ -
Total Transaction Fee	$ 15,000.00	$ 3,750.00	$ 1.88
Total Uses of Funds	$ 1,634,351	$ 408,588	$ 204.29

Co-Applicant:			
Address:	4301 Valor Way		
Project 1:	2-unit duplex		
Total Units	2	Bedrooms	2
Total Gross SF	4000	Baths	1.5

	Detail	Total	Per Unit	Per Sq Ft
Committed Sources of Funds	Detail			
Permanent Financing - 1st Lien:	**Lake Ridge Bank**	$ 354,676	177337.75	88.668875
Permanent Financing - 2nd Lien:			0	0
Other:			0	0
Other:	Deferred partnership fees	$ 62,500	31250	15.625
Total Committed Sources of Funds		$ 417,176	208587.75	104.293875
Pending/Proposed Sources of Funds				
City of Madison CDD Funds		$ 400,000	200000	100
Other:			0	0
Other:			0	0
Total Pending/Proposed Sources of Funds		$ 400,000	200000	100
Total Sources of Funds		$ 817,176	408587.75	204.293875

Uses of Funds

	Total	Per Unit	Per Sq Ft
Acquisition			
Purchase Price	$ 1	0.25	0.000125
Earnest Money		0	0
Appraisal Costs	$ 1,000	500	0.25
Closing Fees	$ 1,750	875	0.4375
Title Insurance	$ 475	237.5	0.11875

Title Search	$ 225	112.5	0.05625
Transfer Taxes		0	0
Financing Fees	$ -	0	0
Other:		0	0
Other:		0	0
Total Acquisition	$ 3,451	1725.25	0.862625
Hard Costs			
General Requirements	$ 5,000	2500	1.25
Demolition	$ 750	375	0.1875
Site Work	$ 40,000	20000	10
Offsite Improvements	$ 75,000	37500	18.75
Environmental Remidiation	$ 500	250	0.125
Construction	$ 485,200	242600	121.3
Builder's Overhead	$ 25,000	12500	6.25
Bond Premium		0	0
Building Permits	$ 2,225	1112.5	0.55625
Other:		0	0
Other:		0	0
Hard Cost Contigency (%) of Hard Costs	$ 40,000	20000	10
Total Hard Costs	$ 673,675	336837.5	168.41875
Fees			
Developer Fee	$ 40,000	20000	10
Architectural Fee (Design & Admin)	$ 3,000	1500	0.75
Legal	$ 3,500	1750	0.875
Civil Engineering & Survey	$ 17,500	8750	4.375
Design & Permitting	$ 1,000	500	0.25
Soils/Structural Report	$ 600	300	0.15
Environmental Reports	$ 1,500	750	0.375
Energy & Green Audits/Consulting	$ -	0	0

Capital Needs Assessment		$ -	0	0
Bridge Loan Fee		$ -	0	0
Organizational Fee		$ -	0	0
Syndication Fee		$ -	0	0
Appraisal		$ -	0	0
Market Study		$ 1,500	750	0.375
Cost Certification		$ -	0	0
Other:	Land Trust Admin cost	$ 12,500	6250	3.125
Other:	Loan guarantee Fee	$ 10,000	5000	2.5
Total Fees		$ 91,100	45550	22.775
Miscellanous Development Expenses				
Utility Tap, Hook Up, Municipal Fees		$ 2,000	1000	0.5
Lease Up Reserve (If lease component in Project)		$ -	0	0
Relocation		$ -	0	0
Other:	Sustainability Features	$ 2,500	1250	0.625
Other:	Accesibility Features	$ 1,500	750	0.375
Total Miscellanous Development Expense		$ 6,000	3000	1.5
Construction & Permanent Loan Financing Charges				
Construction Loan Interest (const. period:	12 months)	$ 18,000	9000	4.5
Construction Loan Fees (Origination, Credit Enhacementss, App)		$ 6,000	3000	1.5
Taxes During Construction		$ 500	250	0.125
Insurance During Construction		$ 2,500	1250	0.625
Title Insurance		$ 500	250	0.125
Recording		$ 250	125	0.0625
Construction Monitoring Fee		$ 1,200	600	0.3
Permanent Loan Fees		$ -	0	0
Other:	Appraisal	$ 1,500	750	0.375
Other:		$ -	0	0
Soft Costs Contigency (excl. Dev Fee)		$ 5,000	2500	1.25

Total Construction & Financing Charges	$ 35,450	17725	8.8625
Total Development Costs	$ 809,676	404837.75	202.418875
Transaction Fees			
Real Estate Agent Fee	$ 6,000.00	3000	1.5
Marketing Fee	$ 1,500.00	750	0.375
Other:		0	0
Other:		0	0
Total Transaction Fee	$ 7,500	3750	1.875
Total Uses of Funds	$ 817,176	408587.75	204.293875
Total Sources of Funds	$ 817,176	408587.75	204.293875

Co-Applicant:					
Address:	4307 Valor Way				
Project 2:	2-unit duplex				
Total Units	2	Bedrooms	2		
Total Gross SF	4000	Baths	1.5		
			Total	**Per Unit**	**Per Sq Ft**
Committed Sources of Funds		Detail			
Permanent Financing - 1st Lien:		**Lake Ridge Bank**	$ 354,676	177337.75	88.668875
Permanent Financing - 2nd Lien:				0	0
Other:				0	0
Other:	Deferred partnership fees		$ 62,500	31250	15.625
Total Committed Sources of Funds			$ 417,176	208587.75	104.29387
Pending/Proposed Sources of Funds					
City of Madison CDD Funds			$ 400,000	200000	100
Other:				0	0
Other:				0	0
Total Pending/Proposed Sources of Funds			$ 400,000	200000	100
Total Sources of Funds			$ 817,176	408587.75	204.29387
Uses of Funds					
Acquisition					
Purchase Price			$ 1	0.25	0.000125
Earnest Money				0	0
Appraisal Costs			$ 1,000	500	0.25
Closing Fees			$ 1,750	875	0.4375
Title Insurance			$ 475	237.5	0.11875

Title Search	$ 225	112.5	0.05625
Transfer Taxes		0	0
Financing Fees	$ -	0	0
Other:		0	0
Other:		0	0
Total Acquisition	$ 3,451	1725.25	0.862625
Hard Costs			
General Requirements	$ 5,000	2500	1.25
Demolition	$ 750	375	0.1875
Site Work	$ 40,000	20000	10
Offsite Improvements	$ 75,000	37500	18.75
Environmental Remidiation	$ 500	250	0.125
Construction	$ 485,200	242600	121.3
Builder's Overhead	$ 25,000	12500	6.25
Bond Premium		0	0
Building Permits	$ 2,225	1112.5	0.55625
Other:		0	0
Other:		0	0
Hard Cost Contigency (%) of Hard Costs	$ 40,000	20000	10
Total Hard Costs	$ 673,675.00	336837.5	168.41875
Fees			
Developer Fee	$ 40,000	20000	10
Architectural Fee (Design & Admin)	$ 3,000	1500	0.75
Legal	$ 3,500	1750	0.875
Civil Engineering & Survey	$ 17,500	8750	4.375
Design & Permitting	$ 1,000	500	0.25
Soils/Structural Report	$ 600	300	0.15
Environmental Reports	$ 1,500	750	0.375
Energy & Green Audits/Consulting	$ -	0	0

Capital Needs Assessment	$ -	0	0
Bridge Loan Fee	$ -	0	0
Organizational Fee	$ -	0	0
Syndication Fee	$ -	0	0
Appraisal	$ -	0	0
Market Study	$ 1,500	750	0.375
Cost Certification	$ -	0	0
Other: Land trust Admin cost	$ 12,500	6250	3.125
Other: Loan gurantee fee	$ 10,000	5000	2.5
Total Fees	$ 91,100	45550	22.775
Miscellanous Development Expenses			
Utility Tap, Hook Up, Municipal Fees	$ 2,000	1000	0.5
Lease Up Reserve (If lease component in Project)		0	0
Relocation		0	0
Other: Sustainability Features	$ 2,500	1250	0.625
Other: Accesibility Features	$ 1,500	750	0.375
Total Miscellanous Development Expense	$ 6,000	3000	1.5
Construction & Permanent Loan Financing Charges			
Construction Loan Interest (const. period: 12 months)	$ 18,000	9000	4.5
Construction Loan Fees (Origination, Credit Enhacementss, App)	$ 6,000	3000	1.5
Taxes During Construction	$ 500	250	0.125
Insurance During Construction	$ 2,500	1250	0.625
Title Insurance	$ 500	250	0.125
Recording	$ 250	125	0.0625
Construction Monitoring Fee	$ 1,200	600	0.3
Permanent Loan Fees	$ -	0	0
Other:	$ 1,500	750	0.375
Other:	$ -	0	0
Soft Costs Contigency (excl. Dev Fee)	$ 5,000	2500	1.25

Total Construction & Financing Charges	$ 35,450	17725	8.8625
Total Development Costs	$ 809,676	404837.75	202.41887
Transaction Fees			
Real Estate Agent Fee	$ 6,000.00	3000	1.5
Marketing Fee	$ 1,500.00	750	0.375
Other:		0	0
Other:		0	0
Total Transaction Fee	$ 7,500	3750	1.875
Total Uses of Funds	$ 817,176	408587.75	204.29387
Total Sources of Funds	$ 817,176	408587.75	204.29387

Co-Applicant:				
Address:				
Project 3:				
Total Units		Bedrooms		
Total Gross SF		Baths		
			Total	**Per Unit**
Committed Sources of Funds		Detail		
Permanent Financing - 1st Lien:				0
Permanent Financing - 2nd Lien:				0
Other:				0
Other:				0
Total Committed Sources of Funds			$ -	0
Pending/Proposed Sources of Funds				
City of Madison CDD Funds				0
Other:				0
Other:				0
Total Pending/Proposed Sources of Funds			$ -	0
Total Sources of Funds			$ -	0

Uses of Funds

Acquisition		
Purchase Price		0
Earnest Money		0
Appraisal Costs		0
Closing Fees		0
Title Insurance		0

Title Search		0
Transfer Taxes		0
Financing Fees		0
Other:		0
Other:		0
Total Acquisition	$ -	0
Hard Costs		
General Requirements		0
Demolition		0
Site Work		0
Offsite Improvements		0
Environmental Remidiation		0
Construction		0
Builder's Overhead		0
Bond Premium		0
Building Permits		0
Other:		0
Other:		0
Hard Cost Contigency (%) of Hard Costs		0
Total Hard Costs	$ -	0
Fees		
Developer Fee		0
Architectural Fee (Design & Admin)		0
Legal		0
Civil Engineering & Survey		0
Design & Permitting		0
Soils/Structural Report		0
Environmental Reports		0
Energy & Green Audits/Consulting		0

Capital Needs Assessment		0
Bridge Loan Fee		0
Organizational Fee		0
Syndication Fee		0
Appraisal		0
Market Study		0
Cost Certification		0
Other:		0
Other:		0
Total Fees	$ -	0
Miscellanous Development Expenses		
Utility Tap, Hook Up, Municipal Fees		0
Lease Up Reserve (If lease component in Project)		0
Relocation		0
Other: Sustainability Features		0
Other: Accesibility Features		0
Total Miscellanous Development Expense	$ -	0
Construction & Permanent Loan Financing Charges		
Construction Loan Interest (const. period: months)		0
Construction Loan Fees (Origination, Credit Enhacementss, App)		0
Taxes During Construction		0
Insurance During Construction		0
Title Insurance		0
Recording		0
Construction Monitoring Fee		0
Permanent Loan Fees		0
Other:		0
Other:		0
Soft Costs Contigency (excl. Dev Fee)		0

Total Construction & Financing Charges	$ -	0
Total Development Costs	$ -	0
Transaction Fees		
Real Estate Agent Fee		0
Marketing Fee		0
Other:		0
Other:		0
Total Transaction Fee	$ -	0
Total Uses of Funds	$ -	0
Total Sources of Funds	$ -	0

Applicant	Kaba-Baal LLC
Project 1 Co-Applicant	Madison Area Community Land Trust (MACTL)
Project 2 Co-Applicant	
Project 3 Co-Applicant	

	Property Address	**Project Type**	**Anticipate**
1	4301 Valor Way	*#N/A*	$
2	4307 Valor Way	*#N/A*	$
3		*#N/A*	

Program Summary

Total Proposed	**Project Name**	Project #1 2-unit duplex
4	**#Units**	2
$ 1,634,351.00	**Total Uses**	$ 817,175.50
$ 1,634,351.00	**Total Sources**	$ 817,175.50
$ 408,587.75	**Total Dev. Cost + Trans Cost**	408587.75
$ 408,587.75	**Total Dev. Funding**	408587.75
$ 208,587.75	**Committed Sources**	208587.75
$ 200,000.00	**Pending Source**	200000
$ 200,000.00	CDD Funding	200000
$ -	Pending: Other Source	0
$ -	Pending: Other Source	0

Note that all figures present below row 30 are estimates intended to provide general insight into the potential affordability c
of rhousehold at 60% and 50% of the Area Median Income (AMI), applicants are only required to ensure affordability for hou
pass-through assistance to the homebuyer—structured as a second mortgage—from the allocation provided to the develop

		#N/A
	80% AMI	yes
	60% AMI	yes
	50% AMI	no

Affordability Assumptions : must input anticipated sales price first.

#N/A	AMI	**80%**
	Household Size	4-person
	Annual Income	$ 103,850.00
	Monthly Household Income	$ 8,654.17
	Affordability Cap as a % of Income	30%
	Monthly "Affordable" Expenditure Cap	$ 2,596.25
	Down Payment	$ 2,250.00
	HBAD	
	Other: [insert name here of dpa]	
	Other: [insert name here of dpa]	
	Other: [insert name here of dpa]	
	Buyer Contribution	$ 2,250.00
	House Price	$ 225,000.00

Down Payment	$	2,250.00
Interest Rate		6.90%
No. of Years		30
Closing Costs as a % of Loan		3.00%
Estimated Property Tax Rate	$	0.018
Estimated Annual Homeowners Insurance (Annual)	$	1,500.00
Monthly "Affordable" Expenditure Cap	$	2,596.25
Monthly Homeowners Insurance	$	125.00
Output: Loan Amount	$	222,750.00
Output: Monthly P&I	$	1,467.03
Output: Monthly Property Taxes	$	337.50
Output: Total Expense (PITI)	$	1,929.53
Difference (Cap minus Expenditures)	$	666.72

#N/A

AMI		**80%**
Household Size		3-person
Annual Income	$	93,500.00
Monthly Household Income	$	7,791.67
Affordability Cap as a % of Income		30%
Monthly "Affordable" Expenditure Cap	$	2,337.50
Down Payment	$	2,250.00
HBAD	$	-
Other: [insert name here of dpa]	$	-
Other: [insert name here of dpa]	$	-
Other: [insert name here of dpa]	$	-
Buyer Contribution	$	2,250.00

House Price	$ 225,000.00
Down Payment	$ 2,250.00
Interest Rate	6.90%
No. of Years	30
Closing Costs as a % of Loan	3.00%
Estimated Property Tax Rate	$ 0.018
Estimated Annual Homeowners Insurance (Annual)	$ 1,500.00
Monthly "Affordable" Expenditure Cap	$ 2,337.50
Monthly Homeowners Insurance	$ 125.00
Output: Loan Amount	$ 222,750.00
Output: Monthly P&I	$ 1,467.03
Output: Monthly Property Taxes	$ 337.50
Output: Total Expense (PITI)	$ 1,929.53
Difference (Cap minus Expenditures)	$ 407.97

AMI	**80%**
Household Size	2-person
Annual Income	$ 83,100.00
Monthly Household Income	$ 6,925.00
Affordability Cap as a % of Income	30%
Monthly "Affordable" Expenditure Cap	$ 2,077.50
Down Payment	$ -
HBAD	$ -
Other: [insert name here of dpa]	$ -
Other: [insert name here of dpa]	$ -

#N/A

[redacted]

Other: [insert name here of dpa]	$ -
Buyer Contribution	$ -
House Price	
Down Payment	$ -
Interest Rate	6.90%
No. of Years	30
Closing Costs as a % of Loan	3.00%
Estimated Property Tax Rate	$ 0.018
Estimated Annual Homeowners Insurance (Annual)	$ 1,500.00
Monthly "Affordable" Expenditure Cap	$ 2,077.50
Monthly Homeowners Insurance	$ 125.00
Output: Loan Amount	$ -
Output: Monthly P&I	$ -
Output: Monthly Property Taxes	$ -
Output: Total Expense (PITI)	$ 125.00
Difference (Cap minus Expenditures)	$ 1,952.50

Area Median Income by Household Size (2025)	**80%**	**60%**
1-person	$ 72,700	$ 54,540
2-person	$ 83,100	$ 62,340
3-person	$ 93,500	$ 70,140
4-person	$ 103,850	$ 77,880
5-person	$ 112,200	$ 84,120
6-person	$ 120,500	$ 90,360

7-person	$	128,800	$	96,600
8-person	$	137,100	$	102,840

d Sales Price
225,000.00
225,000.00

Project #2	Project #3
2-unit duplex	
2	
$ 817,175.50	$ -
$ 817,175.50	$ -
Per Unit Costs Below	
408587.75	0
408587.75	0
208587.75	0
200000	0
200000	0
0	0
0	0

of the proposed homes. While the table includes scenarios
useholds at or below 80% AMI. Applicants may also include
er as part of the affordability calculation.

#N/A	**#N/A**	
yes		<- must at least meet this requirement
no		
no		
		Notes
60%	**50%**	
4-person	4-person	*<- select dropdown*
$ 77,880.00	$ 64,900.00	
$ 6,490.00	$ 5,408.33	
30%	30%	*<- Some lenders use 28 percent, FHA can allow up to 31 percent.*
$ 1,947.00	$ 1,622.50	
$ 2,250.00	$ 2,250.00	
		<- include any down payment
		<- include any down payment
		<- include any down payment
$ 2,250.00	$ 2,250.00	*<- at least 1%*
$ 225,000.00	$ 225,000.00	

$ 2,250.00	$ 2,250.00	
6.90%	6.90%	*<- edit rate*
30	30	
3.00%	3.00%	*<- traditional industry range is 2-5%*
$ 0.018	$ 0.018	*<- Make sure to get the decimals right. For example, $18 of tax*
$ 1,500.00	$ 1,500.00	
$ 1,947.00	$ 1,622.50	
$ 125.00	$ 125.00	
$ 222,750.00	$ 222,750.00	
$ 1,467.03	$ 1,467.03	
$ 337.50	$ 337.50	
$ 1,929.53	$ 1,929.53	
$ 17.47	$ (307.03)	*<- In solver, set objective that this cell equals zero by changing ce*
60%	**50%**	
3-person	3-person	*<- select dropdown*
$ 70,140.00	$ 58,450.00	
$ 5,845.00	$ 4,870.83	
30%	30%	*<- select dropdown; 28-38% ratios*
$ 1,753.50	$ 1,461.25	
$ 2,250.00	$ 2,250.00	
$ -	$ -	*<- include any down payment*
$ -	$ -	*<- include any down payment*
$ -	$ -	
$ -	$ -	*<- include any down payment*
$ 2,250.00	$ 2,250.00	*<- at least 1%*

$ 225,000.00	$ 225,000.00	
$ 2,250.00	$ 2,250.00	
6.90%	6.90%	*<- edit rate*
30	30	
3.00%	3.00%	*<- traditional industry range is 2-5%*
$ 0.018	$ 0.018	
$ 1,500.00	$ 1,500.00	
$ 1,753.50	$ 1,461.25	
$ 125.00	$ 125.00	
$ 222,750.00	$ 222,750.00	
$ 1,467.03	$ 1,467.03	
$ 337.50	$ 337.50	
$ 1,929.53	$ 1,929.53	
$ (176.03)	$ (468.28)	*<- In solver, set objective that this cell equals zero by changing ce*
60%	**50%**	
2-person	2-person	*<- select dropdown*
$ 62,340.00	$ 51,950.00	
$ 5,195.00	$ 4,329.17	
30%	30%	*<- select dropdown; 28-38% ratios*
$ 1,558.50	$ 1,298.75	
$ -	$ -	
$ -	$ -	*<- include any down payment*
$ -	$ -	*<- include any down payment*
$ -	$ -	

$ -	$ -	<- include any down payment
$ -	$ -	<- at least 1%
$ -	$ -	
6.90%	6.90%	<- edit rate
30	30	
3.00%	3.00%	<- traditional industry range is 2-5%
$ 0.018	$ 0.018	
$ 1,500.00	$ 1,500.00	
$ 1,558.50	$ 1,298.75	
$ 125.00	$ 125.00	
$ -	$ -	
$ -	$ -	
$ -	$ -	
$ 125.00	$ 125.00	
$ 1,433.50	$ 1,173.75	<- In solver, set objective that this cell equals zero by changing ce

50%
$ 45,450
$ 51,950
$ 58,450
$ 64,900
$ 70,100
$ 75,300

$ 80,500							
$ 85,700							

City of Madison | Community Development Division
2025 Financing for Affordable Homeownership Development, Programs and Services RFP #2025-14027

KABA BAAL LLC.
Acquisition/Rehab for Owner Occupied Purpose (Development – Acquisition/Rehab)

Response Submission Due Date: October 31, 2025 at Noon Central Time.

Instructions to applicants:
Please respond briefly and succinctly to the questions below, in-line, unless otherwise specific (e.g. if additional documentation is requested), with a maximum 1/3 page response per question. Use this Word document to record your answers and return the completed document to CddApplications@CityOfMadison.Com with cc: to MDavila-Martinez@CityOfMadison.Com. Please refrain from submitting additional documentation no specifically requested at this time or using alternative formats.

Questions:

1. Your proposal notes a focus on acquiring properties in "underserved census tracts" and conducting outreach to first-generation homebuyers.
    a. Can you elaborate on what this focus entails—how you define "underserved census tracts" and how those areas are prioritized for acquisition?

Our focus on underserved census tracts is guided by a commitment to expanding access to quality, affordable homeownership opportunities in neighborhoods that have experienced historic underinvestment and barriers to wealth-building. These areas are generally defined by lower median incomes, higher renter occupancy rates, and limited recent reinvestment activity.

We utilize a data-informed framework to identify and prioritize these tracts, drawing on publicly available U.S. Census data, City-designated investment priority areas, and HUD indicators of housing distress and racial homeownership disparities. This ensures our efforts align with both community needs and municipal revitalization goals.

Through this approach, our acquisition and rehabilitation strategy targets properties with strong potential for stabilization and long-term community benefit. Rehabilitated homes are then made available to first-generation and moderate-income homebuyers, supporting pathways to ownership while strengthening neighborhood stability and economic inclusion.

2. For your acquisition and rehab proposals, could you clarify how you plan to identify, qualify, and connect eligible homebuyers to the properties?
    a. Who will be responsible for finding buyers who meet the City's income and program requirements?

Our approach to identifying and qualifying eligible homebuyers is rooted in strong community partnerships and collaboration with local financial institutions. We employ a targeted, multi-channel outreach strategy to ensure that opportunities reach households most likely to benefit from affordable homeownership.

This strategy includes:

- *Direct community engagement in collaboration with neighborhood associations, faith-based organizations, and HUD-approved housing counseling agencies to connect with first-generation and moderate-income households.*
- *Referrals from partner organizations that deliver homebuyer education, financial literacy, and readiness programs.*
- *Targeted marketing efforts directed toward renters residing in or near the project areas who have demonstrated interest in transitioning to homeownership.*

Upon completion of rehabilitation, we coordinate with our lending partners—such as Summit Credit Union and Lake Ridge Bank—to guide prospective buyers through the pre-screening and qualification process. These institutions play an active role in verifying income, assessing mortgage readiness, and ensuring alignment with City income limits and program requirements.Through this integrated approach, we ensure that each rehabilitated property is transitioned to a qualified, mortgage-ready buyer, advancing neighborhood stability, equitable access to homeownership, and long-term community revitalization.

    b. Do you anticipate managing buyer qualifications and documentation directly, or partnering with another organization to ensure compliance with underwriting and affordability guidelines? If partnering, have you initiated any discussions with organizations who could help with buyer outreach, readiness, and qualification?

We anticipate managing buyer qualifications and documentation in close collaboration with our construction and take-out lending partners, who also have a vested interest in ensuring full compliance with underwriting and affordability guidelines. These partners will assist in verifying eligibility, maintaining required documentation, and aligning each transaction with program standards.

In addition, we are exploring partnerships with established housing organizations—such as Movin' Out, Inc. and NeighborWorks—to support homebuyer outreach, readiness, and compliance oversight. Both organizations have extensive experience in homebuyer education, affordability verification, and underwriting compliance, making them well-suited to complement our internal capacity.

Formal partnership agreements are expected to be finalized prior to acquisition closing, ensuring that all compliance responsibilities, communication protocols, and documentation procedures are clearly defined and in place to support a seamless and compliant homebuyer qualification process.

3. Can you confirm your commitment to incorporating the required accessibility and sustainability measures outlined in the RFP for the acquisition-rehab homes?

Yes, we are fully committed to incorporating all accessibility and sustainability measures outlined in the RFP. Our team has a proven record of implementing these standards, as demonstrated in our recent Owl Creek project (5169–5175 Great Grey Drive), where all required measures—except for heat pumps—were successfully achieved.

Each acquisition-rehab project will include:

- *Step-free or low-threshold entries, where feasible.*
- *Energy-efficient appliances and mechanical systems to reduce utility costs and emissions.*
- *Water-saving fixtures to promote resource conservation.*
- *Durable, low-maintenance materials that ensure long-term affordability and reduced upkeep.*

These improvements reflect our commitment to delivering accessible, efficient, and sustainable homes that enhance quality of life for residents while supporting long-term neighborhood stability.

a. If so, where did your cost estimates for these features come from (e.g., contractor bids, past projects, industry standards)?

Our cost estimates are derived from a combination of contractor bids, recent project data, and industry-standard pricing benchmarks for comparable rehabilitation work completed within the past 12 months. These figures have been adjusted to reflect current material and labor costs specific to the Madison market, ensuring that our budget projections are both accurate and reflective of current economic conditions.

b. If any features are not feasible within your current budget, can you identify which ones and explain what alternative measures you would include to meet the intent of those requirements?

While we anticipate meeting all RFP requirements within our current budget, in the event of unforeseen cost escalations—particularly related to accessibility retrofits in older homes—we will implement alternative measures that achieve the same objectives. These may include adaptable floor layouts, accessible bathroom configurations, and reinforced framing to accommodate future grab bar installation. Such alternatives are designed to uphold the intent of universal design and sustainability standards while ensuring fiscal responsibility and project feasibility.

4. For your acquisition and rehab proposals, you indicate a target sales price of $225,000 per home.
   a. Can you explain how you plan to achieve that price point, given current market conditions where acquisition and rehab costs often exceed that amount?

Achieving a $225,000 sales price in today's market requires a combination of disciplined cost management and strategic acquisition. Our approach includes:

- *Acquiring properties below market value, with a focus on distressed or tax-delinquent homes, to reduce initial investment costs.*
- *Leveraging established relationships with local contractors to achieve cost efficiencies through repeat work, volume pricing, and competitive bids.*
- *Utilizing in-house project management to minimize general contractor overhead and streamline rehabilitation timelines.*

- *Accessing supplementary funding, such as down payment assistance or soft subsidy layering, to bridge affordability gaps without increasing the final sale price.*

This integrated strategy enables us to deliver high-quality, energy-efficient homes that remain affordable for first-generation and moderate-income buyers, while supporting broader neighborhood revitalization and long-term community stability.

City of Madison | Community Development Division
2025 Financing for Affordable Homeownership Development, Programs and Services RFP #2025-14027

KABA BAAL LLC
Permanently Affordable Homeownership Development (Development – Owl Creek)

Response Submission Due Date: October 31, 2025 at Noon Central Time.

Instructions to applicants:
Please respond briefly and succinctly to the questions below, in-line, unless otherwise specific (e.g. if additional documentation is requested), with a maximum 1/3 page response per question. Use this Word document to record your answers and return the completed document to CddApplications@CityOfMadison.Com with cc: to MDavila-Martinez@CityOfMadison.Com. Please refrain from submitting additional documentation no specifically requested at this time or using alternative formats.

Questions:

1. Your proposal references a short timeframe to secure the zero-lot-line Certified Survey Map (CSM) for the Owl Creek lots. Have you confirmed this timeline with City Planning staff?

While exact timelines for the Certified Survey Map (CSM) entitlement process can be difficult to predict due to coordination among multiple City departments and external partners, our team has recently completed this process twice within the past year, including a project just a block from the Owl Creek site.

We also recently held a Development Assistance Team (DAT) meeting for this site, where feedback was overwhelmingly positive and identified no significant issues.

Building on these experiences and lessons learned, we are confident in our ability to navigate the process efficiently. Given that the current proposal closely mirrors a previously approved project, we plan to follow the City's established guidelines and apply our proven approach to expedite the CSM process while ensuring full compliance with all requirements.

2. The proposal notes attendance at a Development Assistance Team (DAT) meeting on October 2nd, related to the Owl Creek lots. The City does not have a record of your participation on that date — can you clarify whether this was a different meeting or if the plans are no longer applicable?

Our team was initially scheduled to participate in a Development Assistance Team (DAT) meeting on October 2nd. This meeting was postponed to allow additional time to compile and finalize key supporting documents required for review. The DAT session was subsequently rescheduled and successfully held on October 30th, and this updated date should now be reflected in the City's records.

We consider the DAT process a critical step in ensuring that our development approach aligns with City expectations and facilitates an efficient entitlement process. If helpful, we can provide the original email correspondence confirming both the initial and rescheduled meeting dates for the City's records.

3. Can you confirm your commitment to incorporating the required accessibility and sustainability measures outlined in the RFP for the Owl Creek homes?

Yes, we are fully committed to incorporating all accessibility and sustainability measures outlined in the RFP for the Owl Creek homes. Key features will include step-free entries, wider doorways, energy-efficient HVAC systems, and durable, low-impact materials designed to enhance long-term performance and minimize environmental impact.

Our team has successfully implemented these measures in the current Owl Creek project. The only addition for this project will be the installation of heat pumps, which we have confirmed would add approximately $6,000 per unit if constructed today. Despite this incremental cost, we remain committed to fully integrating all RFP-required standards to deliver accessible, energy-efficient, and sustainable homes.

   a. If so, where did your cost estimates for these features come from (e.g., contractor bids, past projects, industry standards)?

Our cost estimates are derived from a combination of competitive contractor bids, data from comparable projects completed over the past year, and industry-standard cost *references provided by our construction management partners. These sources reflect current market conditions, including local material and labor rates, ensuring that our projections are both accurate and realistic.*

b. If any features are not feasible within your current budget, can you identify which ones and explain what alternative measures you would include to meet the intent of those requirements?

At this stage, we anticipate including all required accessibility and sustainability features within our current budget. Should unforeseen cost fluctuations occur—particularly related to sustainable materials or specialized accessibility components—we would implement equivalent measures such as Energy Star–rated alternatives, adaptable floor layouts, and pre-installed infrastructure to accommodate future upgrades. These strategies are designed to maintain the intent and long-term objectives of the RFP while ensuring financial feasibility and project integrity.