Catalyst 4 Change LLC
2901 International Ln
Suite 100
Madison, WI 53704

City of Madison
Community Development Office
215 Martin Luther King Jr. Blvd.
Suite 300
Madison, WI 53703

June 3, 2026

Dear John Vogt and Community Development Division,

Catalyst 4 Change is excited to apply for the 2026 Affordable Rental Housing Development: Non-Tax Credit RFP. We would be so grateful to continue our partnership with the City of Madison Community Development Division to create more affordable rental housing in our community.

With the funding awarded from this RFP, we would create four more affordable rental units: two efficiency units and two two-bedroom units for families. We plan to creatively utilize our 3507 Milwaukee Street lot and maximize the amount of affordable housing we can create on this large lot. All residents of this property will be offered supportive property management from Catalyst 4 Change and case management and transition support from our non-profit organization, Catalyst for Change Inc

Since we founded Catalyst for Change and its for-profit counterpart, our vision has been to eliminate homelessness and human suffering in our community. This is our way of creating systemic change by offering creative solutions to our affordable housing problem.

Thank you for this opportunity, and we are forever grateful for all of the support and encouragement we have received from the City of Madison Community Development Division. We would not be where we are today without people like you that believe in two guys and our crazy plans.

Sincerely,

Catalyst 4 Change LLC

Application for 2026 Affordable Rental Housing Development: Non-Tax Credit Development (ARHD-NTC) RFP

This application form should be used for proposals to Affordable Rental Housing Development: Non-Tax Credit Development in the 2026 application cycle. See RFP for deadline and submission instructions.

Key Information:

Lead Applicant/Developer:	Catalyst 4 Change LLC		
Name of Development:	Milwaukee Street Expansion		
Site Address:	3507 Milwaukee Street	Amount of Funds Requested:	$1,025,000
Total Number of Units:	4	Number of Units 60% AMI or less:	4

Mailing Address:	2901 International Lane, Madison, WI 53704		
Telephone:	(608) 213-4959		
Admin Contact:	Sarah Fink	Email Address:	sfink@catalystforchangeinc.org
Lead Project Contact:	John Adams	Email Address:	jadams@catalystforchangeinc.org
Financial Contact:	John Adams	Email Address:	jadams@catalystforchangeinc.org
Website:	N/A		
Legal Status of Maj. Owner:	☒ For-profit ☐ Non-profit ☐ Housing Cooperative		
Federal EIN:	87-1290716	SAM/UEI #:*	HNVJENJFRNW3

* If seeking federal funds

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

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

CITY OF MADISON CONTRACTS
If funded, applicant agrees to comply with all applicable local, state and federal provisions. A sample contract that includes standard provisions may be obtained on the Community Development Division Funding Opportunities Website for this RFP. If funded, the City of Madison reserves the right to negotiate the final terms of a contract with the selected agency.

SIGNATURE OF APPLICANT

Enter Name: John Adams Date: 6/3/2026

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

Requirements Checklist

Please attest that the following statements are true and that the RFP requirements will be met:

Geographic Eligibility

☒ Project site meets the geographic eligibility requirements (see page 10 of RFP).

☒ Site control is secured or the site is owned or controlled by the City of Madison or Dane County.

Unit Mix & Affordability

☒ At a minimum, the Project agrees to a Period of Affordability that is at least 40 years secured by a Land Use Restriction Agreement (LURA).

☒ Project will create affordable housing defined as units at or below 60% AMI.

☒ Project site is located within the City of Madison.

☒ Proposal will create or rehab a minimum of four new net units (less any existing units demolished).

Property Management

☒ The Project will be continuously supported by property management sufficient to carry out responsibilities associated with managing tenant relations, handling property maintenance and repairs, collecting rent, screening tenants, and ensuring legal compliance.

☒ Property management staff have undergone training, including fair housing training.

☒ Property manager, or designated responsible point person, will be registered as an emergency contact with Building Inspection and will respond in a timely and sufficient manner to inquiries, concerns or complaints from tenants, neighboring properties and City of Madison law enforcement, legal counsel, building inspection and civil rights officials

☒ The Applicant is not the sole or part owner of any property which is subject of an unresolved dispute, legal complaint or enforcement action involving agencies of city government.

☒ Rent increases will be limited to 2% annually for lease renewals.

☒ Non-renewal of leases will only be issued in response to serious lease violations or a repeated pattern of minor violations and will contain written notification to the tenant with an opportunity to appeal.

☒ Project will utilize a Tenant Selection Plan (TSP) and Affirmative Marketing Plan (AMP) that is consistent with the City of Madison TSP/AMP Standards for all units in the development throughout the period of affordability.

Sustainability & Resilience (new construction only)

☒ Project has enrolled in Focus on Energy's Income-Qualified Housing (IQH) Track (Energy Design Assistance) to obtain an analysis of the proposed project that will identify energy efficiency strategies and financial incentives.

Sustainability & Resilience (rehab proposals only)

☐ Project has obtained an Energy Audit to identify energy efficiency strategies, financial incentives, and rebates.

OR

As a non-traditional multifamily building (cooperative or SROs), the Project has consulted with the City of Madison Office of Sustainability to explore the most appropriate building evaluation and energy efficiency prioritization options.

☐ If present, the Project will replace all knob and tube wiring.

☐ If present, the Project will replace all wood, propane, or oil heating systems with high-efficiency gas or electric heating systems.

☐ Project will replace all non-LED lightbulbs with LED bulbs.

Design & Accessibility

☒ The Project will meet all applicable City of Madison minimum housing standards and building codes.

☒ (new construction only) The Project will ensure that all common spaces, offices, and areas accessible to tenants, including first floor units and elevator accessible units, are fully visitable.

☒ (new construction and serves families) The Project will include at least one on-site play space for children, either indoor or outdoor, unless deemed infeasible due to site constraints.

Development Team & Financing

☒ The Project proposes to use realistic and feasible sources of funding in its financial model.

☒ The Project capital budget and scope of work is based on sound cost projections.

☒ The Project's operating budget includes a complete list of reasonable expenses, including property management and adequate cash flow over the period of affordability.

☒ The Applicant's team members will play active roles in all aspects of the development process.

Preferences Summary

Mark a summary selection of the RFP preferences you are committing to as part of this application, above and beyond baseline RFP requirements. You will have the opportunity to further describe your commitments in subsequent application questions.

Geographic Preferences

☒ Proposal is located within Preferred TOD area.

☒ Proposal has excellent proximity to amenities such as employment, grocery stores, health facilities, schools, childcare facilities, and parks.

Unit Mix & Affordability

☐ Project is electing permanent affordability.

Property Management

☒ Property management has experience working in the Madison affordable housing market.

☒ Property management has experience engaging with community organizations that provide outreach and services to households facing barriers to housing and are at least likely to apply.

Sustainability & Resilience

☒ (new construction) Project will select energy efficiency options that will yield at least 20% projected Energy Use Intensity (EUI) savings over baseline energy code.

☒ Will use ENERGY STAR certified appliances, equipment, and materials.

☒ HVAC system and appliances will be fully electric.

☒ Proposal includes photovoltaic array

☒ Proposal optimizes building design to accommodate maximized future photovoltaic capacity (e.g. solar ready for photovoltaic expansion)

☒ Proposal includes additional energy efficiency, renewable energy, and/or decarbonization features that exceed minimum requirements, such as EV charger installation, etc.

Sustainability & Resilience – Rehab Only

☐ Project will insulate and air seal attic at R-49

☐ Project will achieve an air infiltration (ACH50) rate of 3.

☐ Project will insulate wall cavity at R-20.

☐ Project will install or replace fans with a minimum of 50 CFM in bathrooms and 300 CFM in kitchens.

☐ Project will install ducted air source heat pumps.

☐ Project will obtain a more in-depth energy assessment, such as an ASHRAE Level 2 Analysis.

Design & Accessibility

☒ Proposal incorporates universal design guidelines to the greatest extent possible.

☒ Proposal exceeds minimum code requirements of a percentage of units classified as Type A units, or Type B units convertible to Type A.

☐ (rehab only) The Project will make all common spaces, offices, and areas accessible to tenants, including first floor units and/or elevator accessible units, will be fully visitable.

☐ (rehab only & serves families) The Proposal will add on-site play space for children, either indoor or outdoor.

Development Team & Financing

☒ Proposal provides minimum 24% stake in all aspects of the development for emerging developers and/or ACRE graduates

☐ Proposal is from a non-profit entity, currently providing services or development within the Madison community

Overview

1. Describe the following aspects of the proposed development:

Type of Construction: ☒ New Construction ☐ Rehab

Type of Project: ☒ Family ☐ Senior ☐ Rental Cooperative

Are you proposing to acquire property?

☐ Yes ☒ No

Total number of units: **4**

Total number of affordable units (≤60% AMI): **4** Percentage of units that are affordable (≤60% AMI): 100

Total amount of AHF requested per affordable unit: **200,000**

2. Period of Affordability Commitment:

☐ Permanent Affordability (electing waiver of shared appreciation in long-term deferred note)

☒ 40 years – Baseline requirement

3. Provide a brief overview of the intent of your proposal. Why are you proposing this specific development? What aspects of your proposal do you consider to be unique and creative components that advance goals of the City's guiding policy documents (pg. 6 of RFP)?

With the funding provided from this RFP, Catalyst 4 Change LLC will build a two-story three stall garage Additional Dwelling Unit (ADU) with two efficiency units above the three stall garage. On the same lot we will build a two-story duplex, with a two-bedroom unit on each story. We are proposing this development to creatively utilize the space on our lot. With this development we will create four affordable rental units for individuals and families. Our proposal is unique and creative, because it will create an opportunity for low income and previously homeless individuals and families to live in a vibrant community setting. The area we are proposing this development in is a Low Residental zoned area, meaning that the area has mostly single-family or two-unit homes. The area is income restricted to those who can afford homes, and there is a lack of income- and rent-restricted housing the area. This housing will provide an opportunity for individuals and families to have greater housing choice and be a part of a long standing East side community. We work with many individuals and familes who have previously been homelessness, and this housing will provide an opportunity at safe, stable housing for several individuals and families. It will reduce the amount of people experiencing homelessness in our community, and it will increase affordable housing in our community. We will provide all interested tenants with support and case management services through Catalyst for Change Inc. From our experience, people experiencing homelessness are most successful in their housing when they move into small scattered site properties. Because this is small property, we will can better support our tenants and ensure that this rental property does not have frequent police calls or cause a disturbance to the neighborhood. We give everyone an opportunity, and we will work with every tenant so they can be successful.

4. Describe how this development fills gaps or addresses barriers that are otherwise not being addressed:

This property development will fill provide four affordable units to low income and/or previously homeless individuals and families. Madison currently lacks sufficient affordable housing to meet the demands of our community. New housing developments are going up all over the city, but they are inaccessible to many residents of Madison due to their high rent costs. Due to Madison's inaffordable housing options, many individuals and families experiencing homelessness struggle to obtain affordable housing. Additionally, we have very low barriers when it comes to tenant selection. We give many tenants a chance that have been denied from other properties, and we are willing to work with them to support them in growing and being successful in their housing.

5. Describe the potential financial risks associated with this development, and how you plan to proactively address those risks:

Due to the low purchase price of the property and our previous partnership with the City of Madison Community Development Division, we owe a very affordable amount for the property mortgage. Therefore, if we are able to partner with the City to further develop this property then we would have very low financial risks. Because there are so few financial risks and we would build this property with the funding provided from CDD, then our expenses would remain very low so we can keep our rent affordable for our tenants.

Location / Geographic Eligibility

6. Address of Proposed Site: **3507 Milwaukee Street, Madison, WI 53714**

7. In which areas on the Affordable Housing Targeted Area Map is the site located? Select all that apply.

- ☒ Preferred TOD Area
- ☒ Eligible Core Transit Area
- ☐ Preservation & Rehab Area
- ☐ Limited Eligibility Area

8. Neighborhood the site is located in: Eastmorland Neighborhood

9. Date Site Control Secured: August 2024

10. Explain why this site was chosen. How does it align with the Program Goals and Objectives (pg. 6 of RFP), and how will it benefit residents living in this location?

The site was chosen because we currently own the site and have another affordable housing structure on the property. This property would allow people with lower incomes to move into an area surrounded that is usually income restricted and made up of mostly by owner occupied homes. This will give our tenants the feeling of being part of a community and neighborhood. This will foster good habits as tenants and teach our tenants how to be good community members. This property would create more aforadable housing throughout the city. Additionally, this property is located close to many amenities and services so our tenants will not need to rely on vehicles for transportation. This site is close to the East Tranfer point and residents will be able to get many different places in a short amount of time from this site. There are many resources in this community. Additionally, this site is located on Madison's vibrant East side. This property is in walking distance to Olbrich Park and Olbrich Botanical Gardens. It is in walking distance of Lake Monona. It is near the cultural hub of Willy Street. This site is located in the excellent and welcoming community of Madison's Eastmorland Neighborhood.

11. If the site is in a Limited Eligibility Area, describe how the relevant concerns will be addressed:

N/A

12. Identify the distance from the proposed site to the nearest of the following amenities. Use MMSD's Find My School as the closest school is not always assigned.

Type of Amenity	Name of Facility	Distance from Site (in miles)
Full Service Grocery Store	Woodman's Food Market	.5 miles
Public Elementary School	Schenk Elementary School	.6 miles
Public Middle School	Whitehorse Middle School	.6 miles
Public High School	La Follette High School	3.2 miles
Full Service Medical Clinic or Hospital	UW Health Union Corners Clinic Urgent Care Clinic	1.3 miles
Public Library	Madison Public Library - Hawthorne	1.3 miles
Public Park with playground equipment or athletic facilities, or hiking/biking trail	Olbrich Park	.8 miles
Job-Training Facility, Community College, or Continuing Education Programs	Dane County Job Center	2.6 miles
Childcare	Little Sprouts Family Daycare	.6 miles

Planning Principles & Plan Consistency

13. Current zoning of the site: TR-C4 - Traditional Residential - Consistent 4
Generalized Future Land Use designation of the site: Low Residential, mostly single-family and two-unit homes.

14. Will the proposed development need a Zoning Map Amendment and/or a Conditional Use Permit?
☐ Zoning Map Amendment ☐ Conditional Use Permit ☐ To be determined ☒ Not Applicable

15. Describe the proposed project's consistency with the land use recommendations and goals and objectives of relevant Plans, including the Imagine Madison, Area Plans, the Generalized Future Land Use Map, and any other relevant Planning documents:

The proposed project is consistent with the future land use recommendations. The development address is categorized as a Low Residential generalized future land use area. Our proposed development fits within the Low Residential designation, because there would not be more than 15 dwelling units per acre. The area is categorized as mostly single-family and two-unit homes. We would be building two, two unit homes on the property which fits within the developments surroundings and future land use plans, yet also increases access to affordable housing in an area that is usually limited to residents that are able to afford homeownership.

16. Briefly detail staff comments during your pre-application meeting with City of Madison Planning and Zoning staff and at Development Assistance Team. How have you adjusted or refined your proposal in response? If Development Assistance Team is not required, please enter "N/A."

During our City of Madison Planning and Zoning meeting, we received very helpful feedback that was incorportated into our proposal. The Development Assistance Team (DAT) informed us that our original proposal of creating four efficiency units would require changing the zoning of our proposal site. They suggested building units with more bedrooms. They suggesting splitting the lot into two lots so that the zoning of the development would not have to change. Their suggestions were very helpful and fully incorporated into this proposal.

17. Enter the site address(es) of the proposed development and complete rows for each site:

	# of Units Prior to Purchase	# of Units Post-Project	# Units Occupied at Time of Purchase	# Business or Residential Tenants to be Displaced	Current # of Units Accessible	Number of Accessible Units Post-Project	Current Appraised Value (Or Estimated)	Appraised Value After Project Completion (Or Estimated)	Purchase Price
Address:	3507 Milwaukee Street, Madison, WI 53714								
	6	10	0	0	1	2	$367,900	$1,000,000	$325,000
Address:	Enter Address 2								
Address:	Enter Address 3								

For units currently occupied and identified as potentially displaced above, describe the relocation requirements, plan, and assistance that will be implemented:

None of the units are currently occupied.

18. Describe the existing use of the site and identify if a Phase I Environmental Site Assessment has been completed. Identify any environmental remediation activities planned, completed, or underway, and/or any existing conditions of environmental significance:

The site is currently a three story house that is being rehabilitated to have one two-bedroom unit and four single room occupancy units, and a two-story additional dwelling unit separate from the house that is a three stall garage with a two-bedroom unit on the second floor of the garage. We have not completed a Phase I Environmental Site Assessment yet, but will if the proposed project is approved.

Unit Mix & Affordability

19. Provide the following information for your proposal. If this is a scattered site or phased proposal, list each address or phase in its own table by attaching additional pages.

ADDRESS #1:	**3507 Milwaukee Street, Madison, WI 53714**										
	# of Bedrooms						**Projected Monthly Unit Rents, Including Utilities** **Utilities included:** ☒ Water/Sewer ☒ Electric ☒ Gas ☒ Free Internet In-Unit☒ Washer/Dryer ☐ Other: _______				
							UA Studio: $150	**UA 1 BR:** $165	**UA 2 BR:** $213	**UA 3 BR:** $262	**UA 4 BR:** $308
% of Area Median Income (AMI)	**Total # of units**	**# of Studios**	**# of 1 BRs**	**# of 2 BRs**	**# of 3 BRs**	**# of 4+ BRs**	**$ Rent Studios**	**$ Rent 1 BRs**	**$ Rent 2 BRs**	**$ Rent 3 BRs**	**$ Rent 4 BRs**
≤30%	0	0	0	0	0	0	1268	1482	1694	2236	2509
40%	0	0	0	0	0	0					
50%	0	0	0	0	0	0					
60%	4	2	0	2	0	0					
Affordable Sub-total	**4**	**2**	**0**	**2**	**0**	**0**					
80%	0	0	0	0	0	0					
Market*	0	0	0	0	0	0					
Total Units	**8**	**4**	**0**	**4**	**0**	**0**	Notes/Utility Allowance Assumptions: Utilities Allowance Used: ☐ CDA ☒ DCHA				

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

Property Management

20. Describe how property management will be administered at the property. How it will be ensured that all federal, state and local laws, including but not limited to the Fair Housing Act, will be applied. If using a property management company, describe the entity's experience with the unique needs of the Madison affordable housing market.

Catalyst 4 Change will be the property managers of the property. We have taken trainings with the Tenant Resource Center to ensure that all local laws, including the Fair Housing Act, will be applied. Sarah Fink, our employee, formerly worked at the Tenant Resource Center as a Housing Counselor and ensures that all tenant/landlord laws are followed. Catalyst 4 Change has several years experience providing affordable housing to Madison residents, specifically formerly homeless individuals, through our rooming housing and also from working with many landlord and property management companies to house formerly homeless individuals.

21. Describe the affirmative marketing strategy to engage target populations. Have you engaged with community organizations that provide services to historically peripheralized households in development of this proposal?

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

Sustainability & Resilience

22. Briefly describe in what ways the project will incorporate sustainability, energy efficiency, decarbonization/electrification, and/or green building design:

Catalyst 4 Change LLC will work with Focus on Energy to incorporate sustainability, energy efficiency, decarbonization/electrification, and green building design into this development. We are committed to creating housing that is sustainable to both our tenants and the environments.

23. If applicable, describe below any renewable energy systems to be included in the development:

We are going to work with Focus On Energy for this development and incorporate as many renewable energy systems as possible.

24. Size of solar array commitment (in Kw), if applicable: **N/A**

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

Sustainability Design Features & Equipment	**YES**	**Comments**
a. Air-source or ground source heat pumps	☐	
b. Full electrification of all appliances and HVAC systems	☒	
c. Electric or heat-pump water heaters	☒	
d. Electric stoves	☒	
e. Installed EV charging station(s)	☐	
f. Battery storage	☐	
g. Solar ready for future photovoltaic installation	☐	
h. Other:	☐	
i. Other:	☐	

26. Parking:

Total number of parking stalls:	6
i. Underground/Wrapped/Podium stalls	0
ii. Surface stalls	3 surface stalls, 3 garage stalls
Parking ratio	1:1
Monthly parking cost	0
Will parking cost vary by AMI level	☐ Yes ☒ No

Rehabilitation Proposals

The following questions are for rehabilitation proposals only. Please enter "N/A" if this is not a rehabilitation proposal.

26. For rehab proposals, which of the following have been completed to determine the scope of work for this property so that it will meet the RFP requirements upon completion (including minimum housing code, rehabilitation standards, lead based paint & asbestos abatement, etc.)? Note: All outstanding Building Code violations on file with the City Building Inspection Unit must be incorporated into the preliminary scope of work attached and submitted with this application.

- ☐ Self-performed Minimum Housing Code Inspection
- ☐ General Contractor Cost Estimation
- ☐ Property Purchase Inspection
- ☐ Capital Needs Assessment

27. For rehab proposals, please describe the extent of the scope of work (e.g., minor, moderate, major/gut rehab). If proposal includes rehabilitation of occupied properties will be phased over more than a year, please describe the phasing plan.

N/A

28. For rehab proposals with potential existence of Lead Based Paint, was the property constructed before 1978? If so, will you assume Lead Based Paint or obtain a Lead Based Paint Risk Assessment?

N/A

29. For rehab proposals with potential existence of Asbestos, will rehab activities disturb any asbestos containing materials? If so, have you obtained an Asbestos Pre-Renovation Risk Assessment?

N/A

Design & Accessibility

30. If applicable, describe interior common area amenities that will be available to tenants and guests (e.g., community room(s), lounges, play spaces, exercise room, business center, etc.):

N/A

31. If applicable, describe exterior amenities that will be available to tenants and guests (e.g., community gardens, patio, green space, etc.):

There will be a patio, community garden, and playset for children on the property.

32. If applicable, to what extent will the project incorporate universal design guidelines and accessibility features? (E.g., % of units, common spaces, etc.)

We intend to implement Universal Design guidelines and accessibility features into all common spaces. We will ensure that first floor units are fully accessible. We will practice creating spaces that can be accessed, used, and understood by all regardless of age, size, ability, or disability.

26. Describe the development team's approach to inclusion of art and/or other cultural infrastructure in this development:

We are very interested in including art and cultural infrastructure in this development. Our common areas will be decorated with cultural art. We are very supportive in our spaces reflecting the culture of our residents.

Development Team & Financing

27. Briefly describe your experience developing multifamily housing for low-income households. Include your experience obtaining and implementing any other federal, state, municipal, and private financing sources

Catalyst 4 Change currently owns and manages three rooming housing in Madison, Wisconsin for formerly homeless individuals. We are currently working on rehabilitating a property with the assistance of a Non-Tax Credit Affordable Rental Housing Development contract with the City of Madison. If awarded this funding, this would be our second time developing multifamily housing with City financing sources. We accept Section 8 vouchers in all of our housing.

28. Identify all key roles in your project development team, including any co-developers, property management agent, architect, general contractor, legal counsel, and any other key consultants as applicable, if known.

Contact Person	Company/Organization	Role in Development	E-mail	Phone
John Adams	Catalyst 4 Change LLC	Developer	jadams@catalystforchangeinc.org	(608) 213-4959
Michael Moody	Catalyst 4 Change LLC	Developer	mmoody@catalystforchangeinc.org	(608) 217-8178

Sarah Fink	Catalyst 4 Change LLC	Grant Manager	sfink@catalystforchangeinc.org	(920) 784-7259
Joe Klein	Klein Law Office	Lawyer	kleinlaw@tds.net	(608) 204-7411
Carlos Aranda	Capital Custom Contractors	Contractor and Architect	Capitalcustomcontractors@gmail.com	(608) 471-0494

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

		BIPOC		**Women**		**Total Employees**
Company	**Role in Development**	**#**	**%**	**#**	**%**	**#**
Catalyst 4 Change LLC	Developer	1	33	1	33	3
N/A	Co-Developer					
N/A	Co-Developer					
Capital Custom Contractors	General Contractor	20	100	1	5	20
Catalyst 4 Change LLC	Property Manager	1	33	1	33	3
Capital Custom Contractors	Architect*	20	100	1	5	20

*if applicable

30. Describe the project's organizational ownership structure.

The project will be owned and operated by Catalyst 4 Change LLC. Catalyst 4 Change is founded and owned by John Adams and Michael Moody. John and Michael will provide all property management services and much of the property maintenance.

31. Does this proposal have a non-profit lead applicant or codeveloper?

☐ Yes ☒ No

If yes, describe the purpose and mission of the organization as it relates to this proposal:

The project does not have a non-profit lead applicant or codeveloper, however, John Adams and Michael Moody co-founded and operate Catalyst for Change Inc, which is a non-profit organization with the mission to impact the community by offering quality compassionate services that promote the upliftment and humanity of the most vulnerable members of society. Catalyst for Change's vision is to eliminate human suffering.

32. Is this proposal led or co-led by an emerging developer and/or ACRE grad as a development partner, codeveloper, employee, or internship opportunity?

☐ Yes ☒ No

If yes, describe the role in the development, such as if they will have a controlling interest, Right of First Refusal, or General Partner Purchase Option. Describe briefly the compensation structure, including percentage of the developer fee allocated. Describe the involvement in long-term ownership:

N/A

33. Describe the development team's experience in engaging with Black, Indigenous, Latinx, and/or other historically peripheralized (historically least likely to apply) populations in informing development proposals:

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

34. Indicate acceptance of the standard loan terms for this proposal as described in Section 2 of the RFP.

☒ Yes, I confirm

35. Applicants requesting alternative loan terms and/or wishing to provide additional information regarding financing structure, detail below (including description and justification of the request):

N/A

36. For each development partner with any ownership interest in any project currently underway or completed, list the following information and provide a current status for the team member and/or any related entity, as applicable:

1. List any foreclosure, default, or bankruptcy within the past ten years.
2. List any litigation completed, pending, or underway in relation to any financing or construction project within the past five years.
3. List any Chronic Nuisance Abatement or Nuisance Case notifications issued by Madison Police Department and/or Building Inspection in the past five years
4. List any unresolved Building Inspection citations resulting in a Municipal Court Complaint in the past five years
5. List any litigation in the past five years with the City of Madison, including but not limited to Federal, State, or Municipal Court proceedings
6. List any litigation in the past five years in the State of Wisconsin, including but not limited to Federal, State, or Municipal Court proceedings

Catalyst 4 Change LLC is not partnering with any other developers for this project. Catalyst 4 Change LLC is owned and operated by John Adams and Michael Moody. John and Michael do not have any foreclosures, defaults, of bankruptcies within the past ten years. John and Michael do not have any litigation completed, pending, or underway in relation to financing or construction projecy within the past five years. John and Michael do not have any Chronic Nuisance Abatement or Nuisance Case notifications issued by Madison Police Department od Building Inspection within the last five years. We do not have any unresolved building inspection citations resulting in a Munincipal Court Complain in the past five years. We do not have any litigation in the past five years with the City of Madison, including but not limited to Federal, State, or Munincipal Court proceedings. List any litigation in the past five years in the State of Wisconsin, including but not limited to Federal, State, or Munincipal Court proceedings.

Timeline

37. List the estimated/target completion dates, or actual completion dates where applicable, associated with the following activities. Reference Attachment A of the RFP for deadlines by which these activities must be completed. *N/A if proposed project is rehab not requiring land use approval.

Activity/Benchmark	**Estimated Date of Completion**
Draft Site Plan Ready to Submit to Dev. Assistance Team (DAT)*	Immediately
1st Development Assistance Team Meeting*	Immediately
1st Neighborhood Meeting*	Immediately
Submission of Land Use Application*	N/A
Plan Commission Consideration*	N/A
Urban Design Commission Consideration, if applicable*	N/A
Complete Debt Financing	July 2026
Acquisition/Real Estate Closing	N/A
Rehab or New Construction Bid Publishing	August 2026
New Construction/Rehab Start	August 2026
Begin Lease-Up/Marketing	January 2027
New Construction/Rehab Completion/ Certificates(s) of Occupancy Obtained	August 2027
Complete Substantial Lease-Up	August 2027
Request Final AHF Draw	January 2027

References

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

Name	**Relationship**	**Email Address**	**Phone**
Julie Spears	Community Development Specialist, C4C Supporter	jspears@cityofmadison.com	(608) 267-1983
Chelsea Volden-Stammen	Housing Rehabilitation Specialist, C4C Supporter	cvolden-stammen@cityofmadison.com	(608) 266-4719
Tara Grays	Vice President of Business Relationships, C4C Banker	tgrays@lakeridge.bank	(608) 826-3526

APPLICANT & PROJECT NAME: **Milwaukee St. Expansion**

2. CAPITAL BUDGET

Enter ALL proposed project funding sources.

FUNDING SOURCES

Source	Amount	Non-Amortizing (Y/N)	Rate (%)	Term (Years)	Amort. Period (Years)	Annual Debt Service	Financing Approval Antcipated (Mo/Yr)
Permanent Loan-Lender Name:							
Subordinate Loan-Lender Name:							
Subordinate Loan-Lender Name:							
Tax Exempt Loan-Bond Issuer:							
FHLB-AHP Loan							
City Loan Request (AHF/HOME)	$ 1,005,000						
City-Loan HOME-ARP (Develoipment Funds)							
City-Loan Request (TIF)							
Other-Specify Lender/Grantor:							
Other-Specify Lender/Grantor:							
Other-Specify Lender/Grantor:							
Historic Tax Credit Equity							
Deferred Developer Fees							
Owner Investment	$ 75,000						
Other-Specify:							
FocusOn Energy	$ 25,000						
Total Sources	**$ 1,105,000**						

Construction Financing			
Source of Funds	Amount	Rate	Term (Months)
Construction Loan-Lender Name:			
Lake Ridge Bank			

Bridge Loan-Lender Name:			
Historic Tax Credit Equity:			
Total	**$ -**		

Remarks Concerning Project Funding Sources:

APPLICANT: **Milwaukee St. Expansion**

3. PROJECT EXPENSES

Enter the proposed project expenses

Acquisition Costs	**Amount**
Land	$0
Existing Buildings/Improvements	$0
Other (List)	
	$0
Construction:	
Construction/Rehab Costs	$1,005,000
Construction Profit	$0
Construction Overhead	$0
General Requirements	$0
Construction Supervision	$0
FF&E/Personal Property	$0
Demolition	$0
Site Work	$0
Landscaping	$0
Letter of Credit/P&P Bond	$0
Construction Contingency	$50,000
Other (List)	
	$0
Architectural & Engineering	
Architect - Design	$5,000
Architect - Supervision	$2,500
Engineering	$2,500
Other (List)	
	$0
Interim/Construction Costs	
Builder's Risk/Property Insurance	$3,000
Construction Loan Interest	$0
Construction Loan Origination Fee	$3,000
Real Estate Taxes	$5,000
Park Impact Fees	$0
Other Impact Fees	$0

<--- If applicable, please list the costs attributable to "above and beyond" green building/Net Zero construction components included in the Construction Costs line item:

Total Cost: $0

Other (List)	
	$0
Financing Fees	
Cost of Bond Issuance	$0
Permanent Loan Origination Fee	$0
Credit Enhancement	$0
Other Permanent Loan Fees	$0
Soft Costs	
Appraisal	$1,000
Market Study	$0
Environmental Reports	$0
Survey	$2,000
Permits	$1,500
Lease-Up Period Marketing	$500
Accounting/Cost Certification	$0
Title Insurance and Recording	$1,000
Relocation	$0
FF&E	$0
Capital Needs Assessment (if rehab)	$0
Legal	$0
Other (List)	
	$0
Fees:	
Bridge Loan Fees	$0
Organizational Fees	$0
Syndication Fees	$0
Total Development Fee	$100,500
Developer Overhead	$0
Other Consultant Fees	$0
Other (List)	
	$0
Reserves Funded from Capital:	
Lease-Up Reserve	$0
Operating Reserve	$0
Replacement Reserve	$0
Capital Needs Reserve	$0
Debt Service Reserve	$18,600

Escrows	$0
Other: (List)	
	$0
TOTAL COSTS:	**$1,201,100**

APPLICANT: **Milwaukee St. Expansion**

4. PROJECT PROFORMA

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

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16
Gross Income	58,800	59,976	61,176	62,399	63,647	64,920	66,218	67,543	68,894	70,271	71,677	73,110	74,573	76,064	77,585	79,137
Less Vacancy/Bad Debt	2,450	2,499	2,549	2,600	2,652	2,705	2,759	2,814	2,871	2,928	2,987	3,046	3,107	3,169	3,233	3,297
Income from Non-Residential Use*		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Revenue	56,350	57,477	58,627	59,799	60,995	62,215	63,459	64,728	66,023	67,343	68,690	70,064	71,465	72,895	74,353	75,840
Expenses:																
Office Expenses and Phone	1,000	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344	1,384	1,426	1,469	1,513	1,558
Real Estate Taxes	9,800	10,094	10,397	10,709	11,030	11,361	11,702	12,053	12,414	12,787	13,170	13,565	13,972	14,392	14,823	15,268
Advertising, Accounting, Legal Fees	500	515	530	546	563	580	597	615	633	652	672	692	713	734	756	779
Payroll, Payroll Taxes and Benefits		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Property Insurance	2,000	2,060	2,122	2,185	2,251	2,319	2,388	2,460	2,534	2,610	2,688	2,768	2,852	2,937	3,025	3,116
Mtc, Repairs and Mtc Contracts		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utilities (gas/electric/fuel/water/sewer)	6,500	6,695	6,896	7,103	7,316	7,535	7,761	7,994	8,234	8,481	8,735	8,998	9,267	9,545	9,832	10,127
Property Mgmt		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Operating Reserve Pmt	12,000	12,360	12,731	13,113	13,506	13,911	14,329	14,758	15,201	15,657	16,127	16,611	17,109	17,622	18,151	18,696
Replacement Reserve Pmt	3,200	3,296	3,395	3,497	3,602	3,710	3,821	3,936	4,054	4,175	4,301	4,430	4,562	4,699	4,840	4,985
Support Services		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other (List)																
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Operating Expenses	35,000	36,050	37,132	38,245	39,393	40,575	41,792	43,046	44,337	45,667	47,037	48,448	49,902	51,399	52,941	54,529
Net Operating Income	21,350	21,427	21,495	21,554	21,602	21,640	21,667	21,683	21,686	21,676	21,653	21,616	21,564	21,496	21,412	21,311
Debt Service:																
First Mortgage	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000
Second Mortgage																
Other (List)																
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Debt Service	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000
Total Annual Cash Expenses	48,000	49,050	50,132	51,245	52,393	53,575	54,792	56,046	57,337	58,667	60,037	61,448	62,902	64,399	65,941	67,529
Total Net Operating Income	8,350	8,427	8,495	8,554	8,602	8,640	8,667	8,683	8,686	8,676	8,653	8,616	8,564	8,496	8,412	8,311
Debt Service Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Developer Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cash Flow	8,350	8,427	8,495	8,554	8,602	8,640	8,667	8,683	8,686	8,676	8,653	8,616	8,564	8,496	8,412	8,311
AHF City Interest Loan	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

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

DCR Hard Debt	1.64	1.65	1.65	1.66	1.66	1.66	1.67	1.67	1.67	1.67	1.67	1.66	1.66	1.65	1.65	1.64
DCR Total Debt	1.64	1.65	1.65	1.66	1.66	1.66	1.67	1.67	1.67	1.67	1.67	1.66	1.66	1.65	1.65	1.64

Assumptions

Vacancy Rate	7.0%
Annual Increase Income	2.0%
Annual Increase Exspenses	3.0%
Other	

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

APPLICANT:

3. PROJECT PROFORMA (cont.)

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

	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25	Year 26	Year 27	Year 28	Year 29	Year 30
Gross Income	80,720	82,334	83,981	85,660	87,374	89,121	90,904	92,722	94,576	96,468	98,397	100,365	102,372	104,420
Less Vacancy/Bad Debt	3,363	3,431	3,499	3,569	3,641	3,713	3,788	3,863	3,941	4,019	4,100	4,182	4,266	4,351
Income from Non-Residential Use*	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Revenue	77,356	78,904	80,482	82,091	83,733	85,408	87,116	88,858	90,635	92,448	94,297	96,183	98,107	100,069
Expenses:														
Office Expenses and Phone	1,605	1,653	1,702	1,754	1,806	1,860	1,916	1,974	2,033	2,094	2,157	2,221	2,288	2,357
Real Estate Taxes	15,726	16,198	16,684	17,184	17,700	18,231	18,778	19,341	19,921	20,519	21,135	21,769	22,422	23,094
Advertising, Accounting, Legal Fees	802	826	851	877	903	930	958	987	1,016	1,047	1,078	1,111	1,144	1,178
Payroll, Payroll Taxes and Benefits	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Property Insurance	3,209	3,306	3,405	3,507	3,612	3,721	3,832	3,947	4,066	4,188	4,313	4,443	4,576	4,713
Mtc, Repairs and Mtc Contracts	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utilities (gas/electric/fuel/water/sewer)	10,431	10,744	11,066	11,398	11,740	12,092	12,455	12,828	13,213	13,610	14,018	14,438	14,872	15,318
Property Mgmt	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Operating Reserve Pmt	19,256	19,834	20,429	21,042	21,673	22,324	22,993	23,683	24,394	25,125	25,879	26,655	27,455	28,279
Replacement Reserve Pmt	5,135	5,289	5,448	5,611	5,780	5,953	6,132	6,315	6,505	6,700	6,901	7,108	7,321	7,541
Support Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other (List)														
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Expenses	56,165	57,850	59,585	61,373	63,214	65,110	67,064	69,076	71,148	73,282	75,481	77,745	80,077	82,480
Net Operating Income	21,192	21,054	20,897	20,719	20,519	20,297	20,052	19,783	19,488	19,166	18,816	18,438	18,029	17,589
Debt Service:														
First Mortgage	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000
Second Mortgage														
Other (List)														
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Debt Service	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000
Total Annual Cash Expenses	69,165	70,850	72,585	74,373	76,214	78,110	80,064	82,076	84,148	86,282	88,481	90,745	93,077	95,480
Total Net Operating Income	8,192	8,054	7,897	7,719	7,519	7,297	7,052	6,783	6,488	6,166	5,816	5,438	5,029	4,589
Debt Service Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Developer Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cash Flow	8,192	8,054	7,897	7,719	7,519	7,297	7,052	6,783	6,488	6,166	5,816	5,438	5,029	4,589
AHF City Interest Loan	0	0	0	0	0	0	0	0	0	0	0	0	0	0

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

DCR Hard Debt	1.63	1.62	1.61	1.59	1.58	1.56	1.54	1.52	1.50	1.47	1.45	1.42	1.39	1.35
DCR Total Debt	1.63	1.62	1.61	1.59	1.58	1.56	1.54	1.52	1.50	1.47	1.45	1.42	1.39	1.35

Assumptions

Vacancy Rate	7.0%
Annual Increase Income	2.0%
Annual Increase Exspenses	3.0%
Other	

Sarah Fink <sfink@catalystforchangeinc.org>

Milwaukee Street Expansion

1 message

Sarah Fink <sfink@catalystforchangeinc.org> Wed, Jun 3, 2026 at 12:39 PM
To: newconstruction@focusonenergy.com
Cc: John Adams <jadams@catalystforchangeinc.org>, Michael Moody <mmoody@catalystforchangeinc.org>

Hello!

Catalyst 4 Change LLC is currently enrolled in Focus on Energy's Income-Qualified Housing (IQH) Track. However, we are planning on expanding our project on Milwaukee Street. We are hoping to enroll our new development proposal in Focus On Energy's Income Qualified Housing Track as well.

Please let us know next steps!

Thank you!
John, Michael, and Sarah
--

Sarah Fink, LCSW (she/her)
CCS Mental Health Professional
Catalyst For Change Inc.
2901 International Lane, Suite 100
Madison, WI 53704
(920) 784-7259 | sfink@catalystforchangeinc.org

Catalystforchangeinc.org

Tenant Selection Plan

Catalyst 4 Change uses the following criteria and standards in the selection and evaluation of our applicants for residency. It is important that you read this information to decide whether our apartment community is right for you before you complete an application. We encourage you to ask any questions about our tenant selection plan and our application process.

Catalyst 4 Change is an equal opportunity housing provider and will not discriminate because of race, color, religion, sex, handicap, familial status, national origin, sexual orientation, or gender identity. Catalyst 4 Change rental policy complies with all applicable federal, state, and local statutes/ ordinances with respect to fair housing and discrimination**.**

Anyone who feels they have been discriminated against may file a complaint of housing discrimination with the U.S. Department of Housing and Urban Development, Assistant Secretary for Fair Housing and Equal Opportunity by calling 1-800-669-9777.

Catalyst 4 Change guards the privacy of individuals according to the Federal Privacy Act of 1974 and ensures the protection of such individuals' records that we maintain. Catalyst 4 Change shall not disclose any personal information contained in its records to any person or agency unless the individual about whom such information is requested gives written consent to such disclosure (as permitted in the Authorization for Release of Information Form in the rental application). This privacy in no way limits our ability to collect needed information to determine eligibility or evaluate an applicant's suitability for tenancy.

The Application Process

▪ All applicants listed on the application must meet the HUD-established income limits for total household income for eligibility and admission.

▪ Applicants who meet the income criteria have the opportunity to apply for residency.

▪ Housing choice vouchers and tenant-based rental assistance are accepted.

▪ Pursuant to HUD, the Department of Housing and Urban Development, (Section 4350.3, CHG-24) and the Fair Housing Amendment Act of 1988 of the Federal Register (Section 100.202, Vol. 54, No. 13) regulations, Catalyst 4 Change may consider extenuating circumstances in evaluating information obtained during the screening process to assist in determining the suitability of an applicant for tenancy. Regulations do not require that a "dwelling be made available to an individual whose tenancy would interfere with other residents' enjoyment of the property; would constitute a direct threat to the health or safety of other individuals; would result in substantial physical damage to the property of others; or would adversely affect the financial stability of the property".

▪ The applicant must answer all questions on the residency application. Applications will not be considered unless they are fully completed with instructions followed. The information in this application will be used to determine eligibility for an apartment. This information will be verified. Any false, misleading, or incomplete information may result in a determination of ineligibility. The applicant is responsible for notifying Catalyst 4 Change in writing immediately regarding any changes of information reported in the application, particularly regarding income.

▪ Applications will be considered for those applicants who decline to disclose their Social Security number on applications when such disclosure is not compelled by state or federal law.

▪ An applicant cannot move in until Catalyst 4 Change has provided written notification of approval, and a lease is signed and in effect. If the application is approved with residency following, only those persons listed in this application will occupy the apartment, and the resident/s will maintain no other place of residency.

▪ Catalyst 4 Change will complete landlord, personal, and criminal background references during the application process. Catalyst 4 Change can deny admission using verified information on past behavior and/or conduct to document that applicant's ability, either alone or with assistance, to comply with the lease and other rules governing residency.

▪ Catalyst 4 Change will investigate applicant's credit and financial responsibility, rental and evictions history, and the statements made in this application, and to obtain a consumer credit report on the applicant from a consumer reporting agency that compiles and maintains files of consumers of a nationwide basis.

<u>Waiting List</u>

▪ Catalyst 4 Change provides eligible applicants to complete a waiting list application if a vacancy does not exist. The waiting list is managed by and retained at the property.

▪ Applicants are placed on the waiting list according to the date that their paperwork, plus proof of age, is received by management. The paperwork is date and time stamped immediately upon its receipt.

▪ The waiting list identifies who is next to be contacted for a vacant apartment when an opening occurs.

▪ If there is no waiting list at the time of a vacancy, Catalyst 4 Change will select the next applicant on a first-come, first-served basis who meets the eligibility criteria.

<u>Income Criteria</u>

▪ Catalyst 4 Change Management Services requires all applicants to meet our minimum income of 2 times the monthly rent.

▪ Applicants whose income is less than 2 times the monthly rent will be denied with no option to move forward unless additional income can be provided, the Applicant can provide documentation showing additional assets that could cover up to 2 years of rent, have a housing choice voucher, or the applicant can demonstrate that they have paid an approximately similar rent to income ratio or rental amount from prior landlord.

Occupancy Criteria

▪ Two-Bedroom apartment = 4 maximum persons/

Credit Score

▪ A credit check will be conducted on all applicants. Catalyst 4 Change Management Services will obtain written consent from all adult members of the household prior to conducting the credit check.

▪ All medical and educational accounts will be removed from the reports when calculating a credit score.

▪ Those with credit scores between 555 and 1000 will be approved.

▪ For those with credit scores less than 555, Catalyst 4 Change allows for a preapproved co-signer. Preapproved co-signers are required to sign the Co-Signer Authorization for Release of Credit History Information form which will allow Catalyst 4 Change to conduct a credit check. Preapproved co-signers are required to have a credit score of 555 or higher and proof of monthly income three times the monthly rent amount; this will not factor in the cosigners mortgage/rent amount. If the pre-approved co-signer is approved, Catalyst 4 Change will continue to process the application. If the applicant is approved the co-signer must accompany the applicant to the lease signing and is required to sign as guarantor on the lease agreement.

▪ If an applicant is unable to obtain a preapproved co-signer, the applicant will have the option to pay three months of rent in advance. The payment will be in the form of a cashier's check or money order due at the time of the lease signing and will be applied to the last four months of the lease. This payment must be for four entire months; no partial payments will be accepted.

▪ Applicants will not be denied on the following:

▪ Credit score alone.

▪ Insufficient credit history unless the applicant withholds credit history information in bad faith that may otherwise result in a denial.

▪ If the applicant has a cosigner, and/or is enrolled in or has documentation of completing a credit repair program, and/or is enrolled in housing program providing supportive services.

▪ If the credit report has been formally disputed, has been formally disputed, is in repayment, or is substantially unrelated to prior housing obligations.

▪ If an applicant who owes money to a prior landlord for rent or damages, or to a utility company, provided that the applicant entered into a payment arrangement with the creditor and is current on the repayment arrangement.

▪ For applicants who are denied, Catalyst 4 Change will provide them with a copy of the credit adverse action report that will allow them to request a copy of their credit report for up to 60 days at no charge.

Landlord or Housing History

▪ Applicants will be asked to provide a minimum of 2 years' rental history. Catalyst 4 Change Management Services will conduct a landlord verification for every applicant.

▪ Applicants will be denied for the following.

▪ Any applicant owing a current or previous landlord money for rent or damages will be denied residency.

▪ Any applicant with an eviction filing resulting in a judgement within the last 2 years will be denied residency

▪ Applicants will not be denied for the following.

▪ If the eviction filing was dismissed or if it resulted in a judgement in favor of the applicant.

▪ If the eviction filing was settled with no judgement or writ of recovery (e.g. stipulated dismissal).

▪ Applicant will not be denied based on insufficient rental history unless management has definite record the applicant withheld information in bad faith.

Criminal Conviction Record Criteria

Catalyst 4 Change Management Services requires a background check to be conducted on all adult household members as a part of the residential screening process. Written consent must be obtained from all adult members of the household prior to conducting checks.

Grounds for denial based on background check include:

▪ Felony Convictions - Any applicant convicted for a felony that has a substantial relation to tenancy within 5 years from the date of conviction will be denied residency.

▪ Misdemeanor Convictions - Conviction of a misdemeanor will not be reason for denial of residency unless the misdemeanor offense has a substantial relation to tenancy, and the date of conviction is within 2 years of the date of application.

▪ Applicants in developments receiving federal assistance will be denied for those that engaged in criminal activities required by Federal regulations.

▪ Any applicant currently registered as a sex offender will be denied residency

Applicants will not be denied on the following:

▪ A conviction, determination, or adjudication in the juvenile justice system.

▪ A conviction of a crime that is no longer illegal in the State of Wisconsin or the City of Madison, regardless of time elapsed from the date of conviction.

▪ An arrest that has not resulted in conviction

▪ Participation in diversion or deferral of judgement programs, including stays of adjudication and continuances for dismissal without prosecution.

▪ Any offense for which the date of conviction is more than 10 years from the date of application, the maximum lookback.

▪ Based on a conviction which has been vacated or expunged, or for which the applicant received a stay of imposition and sentencing and complied with the terms of the stay.

Domestic Violence

▪ Catalyst 4 Change complies with the Violence Against Women Act (VAWA) and will not deny an applicant who has been a victim of domestic violence, sexual assault, dating violence, or stalking. This protection covers all sexual orientations and gender identities.

▪ Applicants protected by VAWA will not be denied due to poor credit history resulting from the perpetrator using the victim's name to open accounts, loans, utilities, etc. and failing in the ability to pay medical bills resulting from the abuse or forcing the victim to work without pay.

▪ Applicants protected by VAWA will not be denied due to poor rental history attributable to the perpetrator's action such as property damage, noise complaints, missed or late rent/utility payments, or drug related activity.

▪ Applicants protected by VAWA will not be denied due to criminal grounds due to the perpetrator forcing the victim to engage in criminal behavior such as sex work, drug use or sale, or crimes committed by the victim to defend themselves or a third party from abuse.

Security Deposit

▪ Security deposit will be equal to 1 month's rent as a standard, or 1 month's rent for conditionally approve applicants.

▪ The standard deposit of 1 month's rent will be used for applicants receiving guaranteed payments through rent subsidy.

▪ No holding fee will be required to apply for a unit.

▪ The standard deposit will be paid in full at lease signing. Installment payment plan is available for those renting an unit set aside for 60% AMI, have case management or rental subsidy The installment plan for the security deposit requires ½ of the deposit will be required at lease signing, with the remaining deposit in payments of ¼ of the remaining deposit added to monthly tenant payments until such time that the security deposit balance has reached the full, contracted amount.

Notice of Denial and Appeal Process

Any applicant denied residency will be notified by following the process outlined below.

▪ Notice of adverse action sent to applicant in writing with an explanation with the Tenant Selection plan criteria the applicant failed to meet.

▪ Applicant must file an appeal or grievance in writing within 7 calendar days after receipt of adverse action.

▪ All appeals must include at least two letters of advocacy on the agency's letterhead.

▪ Catalyst 4 Change Management Services reviews the appeal or grievance and meets/speaks with the applicant within 7 calendar days and provides the applicant a final decision.

2026 Affordable Rental Housing Development: Non-Tax Credit RFP Supplemental Application Questions

Milwaukee Street Expansion | Catalyst 4 Change, LLC
3507 Milwaukee Street

Response Submission Due Date: August 14, 2026 @ NOON CT

Instructions to Applicants:

Please respond briefly and succinctly to the questions below, in-line, unless otherwise specified (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 this completed document to cddapplications@cityofmadison.com with cc: to jvogt@cityofmadison.com. Please refrain from submitting additional documentation not specifically requested at this time or using alternative formats.

Questions:

A. Geographic Eligibility/Proposed Site

1. Please provide an update on whether the project is still planning to split the lot? If so, please explain how financing on the current lot will be addressed due to a new legal description (i.e. refinancing, quitclaim, etc?) Please confirm that the proposal, as submitted, assumes not acquiring an additional strip of land from the neighboring property.

The lot will be subdivided, and discussions have already taken place with the bank. The bank is supportive of the proposed subdivision and development, provided there is adequate collateral coverage.

Catalyst 4 Change, LLC (C4C) intends to have the newly created development lot rezoned to TR-C4 to accommodate the proposed project. The existing mortgage payments associated with the property are expected to remain unchanged.

The proposal, as currently submitted, does not include the additional four-foot strip of land. Negotiations regarding this strip have stalled between John Adams and the property owner due to difficulty reaching an agreement on the purchase price.

B. Planning Principles & Consistency

1. Please describe the feedback received from the Development Assistance Team (DAT) meeting? Were any changes made to the project from this feedback?

Reduce the size of the ADU to under 1,000 square feet. To avoid having the development classified as a residential complex, the property will be divided into separate lots. The property may qualify for several zoning options; however, the most likely approach for obtaining City approval is to rezone the development lot to TR-C4.

The City also provided recommendations regarding the orientation and placement of the front entrances. These recommended changes have not yet been incorporated into the current site plan and will need to be addressed as the development plans are revised.

C. Unit Mix & Affordability

1. Do the rent amounts listed in the application ($1,268/$1,694) for studio and 2-bedroom apartments include utilities?

The proposed rents include utilities and are based on the Dane County Housing Authority's applicable income and payment standards. The projected rent for the efficiency units is $1,118 per month, plus a $150 utility allowance, for a total of $1,268. The projected rent for the two-bedroom units is $1,494 per month, plus a $200 utility allowance, for a total of $1,694.

The pro forma gross rental income has been updated to reflect base rents of $1,118 for the efficiency units and $1,494 for the two-bedroom units, excluding utilities. There may be flexibility to reduce the rents depending on the final overall project costs and the ability to keep the development within established budgetary constraints.

2. How do these rents compare to the rents that will be offered in the project currently underway?

The current project includes two two-bedroom units, with rents set at $1,450 per month, excluding utilities. There are no efficiency units in the current project; therefore, a direct rental comparison for the proposed efficiency units is not available.

The rents included in the expansion proposal are slightly higher because the proposed development involves the construction of two new structures, whereas the current project consists primarily of rehabilitation and ADU construction. Increased construction and material costs are also factors in determining the proposed rental rates.

There is flexibility to lower the proposed rents based on the final development costs and overall financial feasibility of the project. The primary goal of the development is to expand housing opportunities and create additional affordable housing for individuals and families in the community.

D. Property Management

1. Please identify which organization is responsible for property management activities like leasing, collect payments, and other non-support services related tasks.

Michael Moody and John Adams, through Catalyst 4 Change, LLC (C4C), will initially be responsible for rent collection, leasing, tenant coordination, and overall property management activities to ensure the project is successfully established and operating effectively. As the development becomes stabilized, C4C intends to transition these responsibilities to a professional property management company.

During the initial operating period, maintenance and lawn care will be outsourced to Access Housing until a property management company is secured. The project pro forma includes $18,000 for property management expenses to support the eventual transition to professional property management services.

2. CDD has a current deal where Catalyst has listed Catalyst 4 Change, LLC as property management. Please confirm that this structure is in place for this deal. If so, please verify who are the employees of Catalyst 4 Change, LLC.

Catalyst 4 Change, LLC (C4C) will initially serve as the property manager and oversee the day-to-day management of the property. As the project becomes established and stabilized, C4C intends to engage an experienced professional property management company to assume these responsibilities. Currently, the only employees of Catalyst 4 Change, LLC are Michael Moody and John Adams, who will oversee the initial property management and operations until the transition to a professional management company occurs.

E. Sustainability & Resilience

1. Please describe the engagement that has been had with Focus on Energy and/the City's Office of Sustainability? What changes have been made to the project scope as a result of these conversations? If this will change the budget, please submit a new budget with updated cost estimates.

Catalyst 4 Change, LLC (C4C) has been in contact with Focus on Energy and has applied for Multifamily Energy Design Assistance for new construction. A meeting with Focus on Energy is scheduled for August 14, 2026, at 11:00 a.m., which is the same day this submission is due. Therefore, no specific recommendations have been discussed at this time, and no changes resulting from the Focus on Energy review have been incorporated into the current project scope. C4C will be prepared to provide an update regarding any recommendations or guidance received from Focus on Energy at the City presentation meeting on Monday, August 17, 2026.

F. Design & Accessibility

1. Please submit a site plan for this project.

G. Development Team & Financing

1. Are there contractor estimates that support the scope of work? If not, what methodology was used to estimate construction costs?

The $1.2 million construction estimate is based on the contractor's professional assessment of the anticipated total cost to construct the proposed duplex and multi-unit ADU. The estimate includes labor and materials associated with the current site plan and accounts for current construction pricing and material cost inflation.

2. Please Submit an updated Budget Workbook addressing the following. Please note, questions that do not have a comment box do not require a written response but should be addressed in an updated Budget Workbook:

Capital Budget - Sources

i. The total sources of $1.005M are not equal to the total uses of $1.201M.
ii. Lake Ridge Bank is listed as a construction-loan lender, but terms are missing.
iii. It is recommended to remove the Focus on Energy funding as a source until confirmed. If this materializes it can be shown as an additional construction contingency.
iv. The Debt Coverage Ratio (DCR) is high, meaning that the project is in a strong financial position to seek hard debt or reduce the rents to align better with Phases 1 & 2. Has conventional mortgage financing been explored to finance this project?

The budget workbook has been updated to reflect the most current project information. The estimated project cost has been revised to $1,201,000, which represents a more accurate estimate following additional discussions with the contractor. Lake Ridge Bank has been removed as the identified construction lender at this stage of the project. Focus on Energy has also been removed as a potential funding source until additional information regarding the new-construction expansion is obtained during the scheduled meeting on August 14, 2026.

Based on the current pro forma, the project is anticipated to be in a positive financial position. However, Catalyst 4 Change, LLC (C4C) has intentionally incorporated reasonable allowances for potential increases in material costs and other development-related expenses. C4C's goal is to keep operating costs manageable so that rents can be set as affordably as possible while maintaining the long-term financial sustainability of the development. Based on current projections, C4C believes there is a strong likelihood that the proposed rents could ultimately be reduced, which creates greater affordability for the families and individuals the project is intended to serve.

Capital Budget - Uses

i. Draw fees are missing.
ii. Legal fees are missing.
iii. There are no upfront operating reserves budgeted for this project. How will the project pay for upfront expenses during construction like property insurance, taxes, etc.?

The Capital Budget has been updated to reflect applicable draw fees. Catalyst 4 Change, LLC (C4C) has retained Klein Law Office for legal representation, and the anticipated legal fees have been added to the budget workbook.

C4C owners Michael Moody and John Adams will personally cover certain upfront project expenses out of pocket to help move the development forward. It is anticipated that, where allowable and financially feasible, a portion of these upfront costs may be reimbursed or recouped later in the development process.

iv. The budget allocates $18,600 for a debt service reserve. There are no financing sources identified that have regular debt service. What will these reserves pay for?

The current property is financed through Lake Ridge Bank with a conventional mortgage, including ongoing expenses for mortgage payments, property taxes, and insurance. The proposed lot split is not expected to result in any additional mortgage payments. The budget includes an allocation to account for the carrying costs associated with the existing mortgage and other property expenses during the development and construction period.

C4C's current development project experienced significant carrying costs during an extended period of zero occupancy, while mortgage payments, property taxes, insurance, utilities, and other expenses continued to accrue. This experience provided C4C with valuable insight into the financial risks associated with development timelines and lease-up periods. As a result, the proposed project budget has been structured more conservatively to account for these potential costs and reduce the risk of unexpected financial shortfalls.

Proforma

i. Vacancy is modeled at less than 7% (4.1%) but there is a 7% factor in their model. Please correct this assumption in the model.

ii. Please update the Real Estate Taxes, as they should be based on projected assessed value after sale and rehabilitation.

iii. Is the Proforma gross income line calculated based on $1,268/mo. rent for Studios and $1,694 for 2-bedrooms? If an error was made, please update the Proforma.

The vacancy rate has been corrected in the pro forma to reflect the appropriate assumptions for the proposed development.

The property is currently owned by Catalyst 4 Change, LLC (C4C). The real estate tax projections have been updated to account for the proposed lot split. The estimated annual real estate taxes attributable to the new expansion are approximately $3,200 per year.

The pro forma has also been updated to reflect the correct projected gross rental income, excluding utilities. Base rents are projected at $1,118 per month for each of the two efficiency units and $1,494 per month for each of the two two-bedroom units.

iv. Operating Reserve Payments are high at 21%. Please provide a justification or revision in the Updated Budget

The Operating Reserve Payment has been reduced to $2,500 in response to the concern regarding the previously projected 21% reserve level. The pro forma has been updated to reflect this revision and provide a more appropriate operating reserve while maintaining sufficient funds to address potential unexpected operating expenses.

v. What is the $13,000 debt service for Mortgage paying? The funding sources table does not list any financing sources that would require annual payments. Please confirm with your first mortgage lender if the mortgage on the original acquisition will need to be refinanced if the lot is split? Resubmit the budget accordingly.

The $13,000 allocation was included to help supplement a portion of the existing mortgage expenses associated with the proposed lot split. C4C has discussed the proposed lot split and its financing implications with Tara Grays at Lake Ridge Bank, who oversees C4C's commercial lending relationship.

Based on those discussions, the existing mortgage documentation will need to be updated to reflect the revised legal descriptions of the properties following the lot split. The financing terms are anticipated to remain substantially the same; however, the bank will need to complete its review of the proposed changes, including the impact on collateral coverage, lien position and documentation, an updated appraisal, and an updated survey reflecting the proposed lot split.

This information was provided by C4C's commercial lender after consultation with the bank's Chief Risk Officer and underwriter, who reviewed the proposed site plan and description of the anticipated property changes.

vi. If operating expenses exceed projections, what additional financial resources are available?

C4C currently maintains a $100,000 business line of credit with Lake Ridge Bank. This line of credit provides an additional source of liquidity that can be used to address potential project-related financial shortfalls or unexpected expenses. Based on C4C's existing assets and financial position, there is also the potential to increase the available line of credit, subject to Lake Ridge Bank's underwriting and approval requirements, should additional funding be necessary.

vii. Will the project charge for parking? If so, please update the proforma accordingly.

There will be no parking fees charged to tenants. Each tenant will be assigned one designated on-site parking space as part of their tenancy. Any additional vehicles or parking needs will need to utilize available street parking, subject to applicable City parking regulations.

APPLICANT & PROJECT NAME: **Milwaukee St. Expansion**

2. CAPITAL BUDGET

Enter ALL proposed project funding sources.

FUNDING SOURCES

Source	Amount	Amortizing	Rate (%)	(Years)	Period	Service	Approval
Permanent Loan-Lender Name:							
Subordinate Loan-Lender Name:							
Subordinate Loan-Lender Name:							
Tax Exempt Loan-Bond Issuer:							
FHLB-AHP Loan							
City Loan Request (AHF/HOME)	$ 1,126,100						
City-Loan HOME-ARP (Develoipment Funds)							
City-Loan Request (TIF)							
Other-Specify Lender/Grantor:							
Other-Specify Lender/Grantor:							
Other-Specify Lender/Grantor:							
Historic Tax Credit Equity							
Deferred Developer Fees							
Owner Investment	$ 75,000						
Other-Specify:							
FocusOn Energy							
Total Sources	**$ 1,201,100**						

Construction Financing			
Source of Funds	Amount	Rate	Term (Months)
Construction Loan-Lender Name:			
Bridge Loan-Lender Name:			

Historic Tax Credit Equity:			
Total	**$ -**		

Remarks Concerning Project Funding Sources:

APPLICANT: **Milwaukee St. Expansion**

3. PROJECT EXPENSES

Enter the proposed project expenses

Acquisition Costs	**Amount**
Land	$0
Existing Buildings/Improvements	$0
Other (List)	
	$0
Construction:	
Construction/Rehab Costs	$1,005,000
Construction Profit	$0
Construction Overhead	$0
General Requirements	$0
Construction Supervision	$0
FF&E/Personal Property	$0
Demolition	$0
Site Work	$0
Landscaping	$0
Letter of Credit/P&P Bond	$0
Construction Contingency	$50,000
Other (List)	
	$0
Architectural & Engineering	
Architect - Design	$5,000
Architect - Supervision	$2,500
Engineering	$2,500
Other (List)	
	$0
Interim/Construction Costs	
Builder's Risk/Property Insurance	$3,000
Construction Loan Interest	$0
Construction Loan Origination Fee	$3,000
Real Estate Taxes	$5,000
Park Impact Fees	$0
Other Impact Fees	$0
Other (List)	
	$0
Financing Fees	
Cost of Bond Issuance	$0
Permanent Loan Origination Fee	$0
Credit Enhancement	$0
Other Permanent Loan Fees	$0
Soft Costs	
Appraisal	$1,000
Market Study	$0

<--- If applicable, please list the costs attributable to "above and beyond" green building/Net Zero construction components included in the Construction Costs line item:

Total Cost: $0

Environmental Reports	$0
Survey	$2,000
Permits	$1,500
Lease-Up Period Marketing	$500
Accounting/Cost Certification	$0
Title Insurance and Recording	$1,000
Relocation	$0
FF&E	$0
Capital Needs Assessment (if rehab)	$0
Legal	$2,000
Other (List)	
	$0
Fees:	
Bridge Loan Fees	$0
Organizational Fees	$0
Syndication Fees	$0
Total Development Fee	$100,500
Developer Overhead	$0
Other Consultant Fees	$0
Other (List)	
Draw Fee	$3,000
Reserves Funded from Capital:	
Lease-Up Reserve	$0
Operating Reserve	$0
Replacement Reserve	$0
Capital Needs Reserve	$0
Debt Service Reserve	$13,600
Escrows	$0
Other: (List)	
	$0
TOTAL COSTS:	**$1,201,100**

APPLICANT: **Milwaukee St. Expansion**

4. PROJECT PROFORMA

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

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16
Gross Income	62,688	63,942	65,221	66,525	67,856	69,213	70,597	72,009	73,449	74,918	76,416	77,945	79,504	81,094	82,715	84,370
Less Vacancy/Bad Debt	2,450	2,499	2,549	2,600	2,652	2,705	2,759	2,814	2,871	2,928	2,987	3,046	3,107	3,169	3,233	3,297
Income from Non-Residential Use*		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Revenue	60,238	61,443	62,672	63,925	65,204	66,508	67,838	69,195	70,578	71,990	73,430	74,898	76,396	77,924	79,483	81,072
Expenses:																
Office Expenses and Phone	1,000	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344	1,384	1,426	1,469	1,513	1,558
Real Estate Taxes	3,200	3,296	3,395	3,497	3,602	3,710	3,821	3,936	4,054	4,175	4,301	4,430	4,562	4,699	4,840	4,985
Advertising, Accounting, Legal Fees	500	515	530	546	563	580	597	615	633	652	672	692	713	734	756	779
Payroll, Payroll Taxes and Benefits		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Property Insurance	2,000	2,060	2,122	2,185	2,251	2,319	2,388	2,460	2,534	2,610	2,688	2,768	2,852	2,937	3,025	3,116
Mtc, Repairs and Mtc Contracts		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utilities (gas/electric/fuel/water/sewer)	6,500	6,695	6,896	7,103	7,316	7,535	7,761	7,994	8,234	8,481	8,735	8,998	9,267	9,545	9,832	10,127
Property Mgmt	18,000	18,540	19,096	19,669	20,259	20,867	21,493	22,138	22,802	23,486	24,190	24,916	25,664	26,434	27,227	28,043
Operating Reserve Pmt	2,500	2,575	2,652	2,732	2,814	2,898	2,985	3,075	3,167	3,262	3,360	3,461	3,564	3,671	3,781	3,895
Replacement Reserve Pmt	3,200	3,296	3,395	3,497	3,602	3,710	3,821	3,936	4,054	4,175	4,301	4,430	4,562	4,699	4,840	4,985
Support Services		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other (List)																
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Operating Expenses	36,900	38,007	39,147	40,322	41,531	42,777	44,061	45,382	46,744	48,146	49,591	51,078	52,611	54,189	55,815	57,489
Net Operating Income	23,338	23,436	23,524	23,603	23,672	23,730	23,777	23,812	23,835	23,844	23,839	23,820	23,786	23,735	23,668	23,583
Debt Service:																
First Mortgage	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000
Second Mortgage		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other (List)																
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Debt Service	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000
Total Annual Cash Expenses	49,900	51,007	52,147	53,322	54,531	55,777	57,061	58,382	59,744	61,146	62,591	64,078	65,611	67,189	68,815	70,489
Total Net Operating Income	10,338	10,436	10,524	10,603	10,672	10,730	10,777	10,812	10,835	10,844	10,839	10,820	10,786	10,735	10,668	10,583
Debt Service Reserve	1,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Developer Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cash Flow	9,338	10,436	10,524	10,603	10,672	10,730	10,777	10,812	10,835	10,844	10,839	10,820	10,786	10,735	10,668	10,583
AHF City Interest Loan	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

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

DCR Hard Debt	1.80	1.80	1.81	1.82	1.82	1.83	1.83	1.83	1.83	1.83	1.83	1.83	1.83	1.83	1.82	1.81
DCR Total Debt	1.80	1.80	1.81	1.82	1.82	1.83	1.83	1.83	1.83	1.83	1.83	1.83	1.83	1.83	1.82	1.81

Assumptions

Vacancy Rate	4.1%
Annual Increase Income	2.0%
Annual Increase Exspenses	3.0%
Other	

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

APPLICANT:

3. PROJECT PROFORMA (cont.)

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

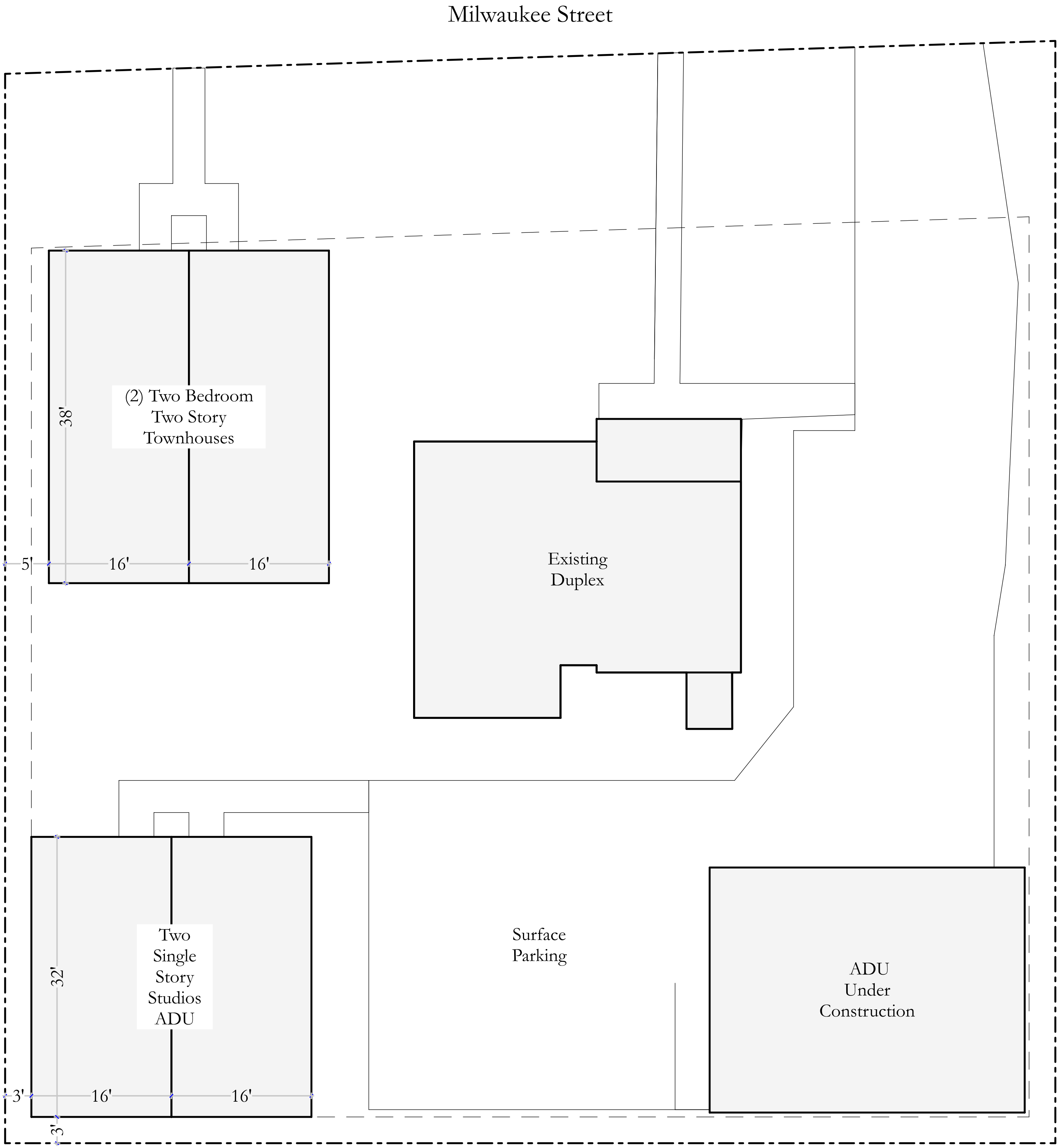
	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25	Year 26	Year 27	Year 28	Year 29	Year 30
Gross Income	86,057	87,778	89,534	91,325	93,151	95,014	96,914	98,853	100,830	102,846	104,903	107,001	109,141	111,324
Less Vacancy/Bad Debt	3,363	3,431	3,499	3,569	3,641	3,713	3,788	3,863	3,941	4,019	4,100	4,182	4,266	4,351
Income from Non-Residential Use*	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Revenue	82,694	84,348	86,035	87,755	89,510	91,301	93,127	94,989	96,889	98,827	100,803	102,819	104,876	106,973
Expenses:														
Office Expenses and Phone	1,605	1,653	1,702	1,754	1,806	1,860	1,916	1,974	2,033	2,094	2,157	2,221	2,288	2,357
Real Estate Taxes	5,135	5,289	5,448	5,611	5,780	5,953	6,132	6,315	6,505	6,700	6,901	7,108	7,321	7,541
Advertising, Accounting, Legal Fees	802	826	851	877	903	930	958	987	1,016	1,047	1,078	1,111	1,144	1,178
Payroll, Payroll Taxes and Benefits	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Property Insurance	3,209	3,306	3,405	3,507	3,612	3,721	3,832	3,947	4,066	4,188	4,313	4,443	4,576	4,713
Mtc, Repairs and Mtc Contracts	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utilities (gas/electric/fuel/water/sewer)	10,431	10,744	11,066	11,398	11,740	12,092	12,455	12,828	13,213	13,610	14,018	14,438	14,872	15,318
Property Mgmt	28,885	29,751	30,644	31,563	32,510	33,485	34,490	35,525	36,590	37,688	38,819	39,983	41,183	42,418
Operating Reserve Pmt	4,012	4,132	4,256	4,384	4,515	4,651	4,790	4,934	5,082	5,234	5,391	5,553	5,720	5,891
Replacement Reserve Pmt	5,135	5,289	5,448	5,611	5,780	5,953	6,132	6,315	6,505	6,700	6,901	7,108	7,321	7,541
Support Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other (List)														
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Expenses	59,214	60,990	62,820	64,704	66,646	68,645	70,704	72,825	75,010	77,260	79,578	81,966	84,425	86,957
Net Operating Income	23,480	23,358	23,215	23,051	22,865	22,656	22,423	22,164	21,879	21,566	21,225	20,854	20,451	20,016
Debt Service:														
First Mortgage	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000
Second Mortgage	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other (List)														
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Debt Service	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000
Total Annual Cash Expenses	72,214	73,990	75,820	77,704	79,646	81,645	83,704	85,825	88,010	90,260	92,578	94,966	97,425	99,957
Total Net Operating Income	10,480	10,358	10,215	10,051	9,865	9,656	9,423	9,164	8,879	8,566	8,225	7,854	7,451	7,016
Debt Service Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Developer Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cash Flow	10,480	10,358	10,215	10,051	9,865	9,656	9,423	9,164	8,879	8,566	8,225	7,854	7,451	7,016
AHF City Interest Loan	0	0	0	0	0	0	0	0	0	0	0	0	0	0

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

DCR Hard Debt	1.81	1.80	1.79	1.77	1.76	1.74	1.72	1.70	1.68	1.66	1.63	1.60	1.57	1.54
DCR Total Debt	1.81	1.80	1.79	1.77	1.76	1.74	1.72	1.70	1.68	1.66	1.63	1.60	1.57	1.54

Assumptions

Vacancy Rate	4.1%
Annual Increase Income	2.0%
Annual Increase Exspenses	3.0%
Other	



Site Area	14,401 SF
Max Coverage	9,360 SF or 65%
Existing	
Duplex	1,145
ADU	1,008
Proposed	
Townhouses	1,216
New ADU	1,024
Total Building	4,393
Impervious	
Walks	480
Drives	3,525
Total Impervious	4,005
Coverage Total	8,398 SF or 58.3%

Conceptual Site Plan @ 1/16" = 1'-0"
3505 Milwaukee Street
May 27, 2026