

Housing Forward: CDD Financing for Housing Development and Housing Services Application

This application form should be used for projects seeking funding from City of Madison Request for Proposals #2022-11010; Housing Forward: CDD Financing for Rental Housing Development. Applications must be submitted electronically to the City of Madison Community Development Division by **noon on March 2, 2022**. Email to: cddapplications@cityofmadison.com

APPLICANT INFORMATION

Proposal Title:	<u>Zapata Housing Cooperative</u>		
Amount of Funds Requested:	<u>\$ 501,000</u>	Type of Project:	<input type="checkbox"/> New Development <input checked="" type="checkbox"/> Rehabilitation
Name of Applicant:	<u>Madison Area Cooperative Housing Alliance and Sunny Side Development</u>		
Mailing Address:	<u>146 Langdon St Madison, WI 53703</u>		
Telephone:	<u>608-438-2980</u>	Fax:	<u>n/a</u>
Project/Program Contact:	<u>Kyle Cushman</u>	Email Address:	<u>k.cushmanr@gmail.com</u>
Financial Contact:		Email Address:	
Website:	<u>machacoop.org / sunnysidedevelopment.org</u>		
Legal Status:	<input type="checkbox"/> For-profit <input checked="" type="checkbox"/> Non-profit <input type="checkbox"/> Non-profit (CHDO)		
Federal EIN (MACHA):	<u>83-0525467</u>	DUNS #:	<u>117248816</u>
Federal EIN (SSD) :	<u>82-5451776</u>	DUNS #:	<u>116722728</u>
Community Housing Development Organization:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> 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 <http://www.cityofmadison.com/dcr/aaFormsID.cfm>.

LOBBYING RESIGTRATION

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

CITY OF MADISON CONTRACTS

If funded, applicant agrees to comply with all applicable local, state and federal provisions. A sample contract that includes standard provisions may be obtained 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

Enter Name: Kyle Cushman

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.

Date: 3/2/2022

PROPOSAL OVERVIEW

1. Please provide a brief overview of the proposal. Describe the impact of the proposed development on the community as well as other key characteristics. *(Please limit response to 300 words including spaces).*

The newly formed Zapata Cooperative has ambitions to become Madison's newest independent housing cooperative, with 10 – 20 members living in their own property, with a focus on Latiné culture. Zapata would like to acquire/rehab a property in the Greenbush, Vilas, Dudgeon-Monroe, or Bay Creek neighborhoods and expand the geographic diversity of existing 23 housing cooperatives in Madison. Currently, all but one Madison cooperative are located downtown or on the near-east side and many lack representation from Latiné and disabled communities. This project intends to welcome the larger Latiné community and fully integrate into the rhythm of the near south side. Zapata strives to provide another affordable housing option for all people/families in Madison.

Beyond maintaining the historic aesthetic and feel of the targeted areas, this project aims to significantly reduce its carbon footprint with the installation of solar panels and energy efficiency upgrades. Furthermore, by being based in a neighborhood near bike paths, bus routes, and other modes of transportation, the co-op will help encourage members to live more car-free lifestyles further reducing overall carbon emissions from members.

As a housing cooperative, this project will be resilient to changing market forces as the property is owned/managed by its members/residents who do not have an incentive to increase rents beyond inflation. When members pay off the mortgage required to start Zapata Cooperative, they will gain the ability to determine rents in accordance with the needs of members and financial stability of the house. In addition, housing cooperative structures force group accountability and greatly limit potential for personal profiteering.

Lastly, this project aims to address the shortage of available rooms in Madison's 23 housing cooperatives. As all housing cooperatives have some kind of waiting list, we want to expand capacity for this kind of communal, affordable housing.

Number of unduplicated households estimated to be served by this project: 10-20

AFFORDABLE HOUSING NEEDS

2. Describe your agency's knowledge of and experience in addressing affordable housing needs of the City of Madison.

Kyle Cushman, the current President of MACHA, and other members of Zapata Cooperative -- Frida and Hernán Ballard, Andy Mazur -- have each resided at Nottingham Cooperative (146 Langdon St) for multiple years. Nottingham has been in existence for over 50 years and is one of the most economically-accessible, naturally occurring affordable housing among Madison's housing cooperatives due to the number of members and its structure as a cooperative. Including all utilities, monthly rents at Nottingham range from \$280-400 per SRO. Zapata Cooperative intends to continue this tradition of highly affordable, accessible housing from Nottingham Cooperative, as rents lower as debts are paid off and are no longer subject to market forces beyond inflation.

MACHA, in its over three years of existence, has worked with the City of Madison to make the creating and sustaining of housing cooperatives easier. Specifically, MACHA has won three important changes: doubling the legal amount of bedrooms prior to conversion, allowing access to affordable housing funds (such as this process), and allowing housing cooperatives to exist in residential zones. MACHA exists to expand affordable, communal housing to all people in the City of Madison.

Sunny Side Development has been very engaged in the affordable housing industry of Madison. Their Executive Director Paul Schechter is an active member of the Affordable Action Housing Alliance (AAHA), 3rd Sector, and MACHA, and keeps a close eye on all affordable housing activity in the area. Schechter has given Power Point presentations to the City of Madison Equal Opportunities Commission and the Housing Strategies Committee. Since 2017 he has submitted 17 RFP applications for housing projects in Wisconsin. Several have been successful and the rest provided opportunities to grow and learn about housing dynamics that are occurring in the local community. Schechter is currently involved in two midsize developments that have both received affordable housing awards and will be starting construction soon. He also successfully developed two housing cooperatives of roughly the same size as the prospective property, that have been providing cooperative affordable housing for over ten years. The partnership with Abby Davidson, another experienced co-op developer, and MACHA round-out a strong project team.

3. Please describe the anticipated demand for the proposed target populations intended to be served. Please be specific as to which populations will be targeted, if any.

Currently, there are 23 housing cooperatives owned/controlled by 300 members in Madison -- all of them have some kind of waiting list. However, we do not just want to serve the typically young and affluent person who lives in housing coops and will be putting greater emphasis around advertising to people of color (Latiné, Black, and Hmong primarily). Moreover, families often do not see themselves as able to live in cooperative housing, and so we aim to provide housing for families with children as well.

All units at the co-op will be rented at levels affordable to families earning 60% AMI with targeted rents at approximately 40% AMI level. The property used as an example in this "license to hunt" application, assumes SRO rents of \$575/mn including all utilities per SRO unit, which is at the 42% AMI level in Dane County in 2021. There is a great shortage of all types of housing (including cooperative) at this AMI level, and therefore it is anticipated that the demand for units in Zapata Cooperative will be strong.

AGENCY OVERVIEW

4. Describe the Agency's Mission Statement and explain how this project supports the Mission Statement.

The mission of Sunny Side Development is to create affordable housing as a vehicle to address deeper societal concerns including environmental sustainability and community empowerment. This project aligns with the mission because cooperative housing is inherently energy-efficient and builds community. Rehabilitation of existing properties, including investment in energy efficiency and renewable energy infrastructure, is more efficient than new construction. Cooperative housing design increases the number of people who can live in a property, thus increasing the supply of affordable housing in Madison, all while providing common spaces for residents to enjoy, build relationships, and share meals.

MACHA's mission is three-fold: a). education and outreach about cooperative living to the wider Madison community; b). encouraging the creation of new cooperative housing by helping new co-ops to secure real estate financing; and c). working with municipalities to update building codes and zoning to facilitate cooperative housing development. By supporting the creation of a new housing cooperative, this project is directly achieving the second goal of MACHA's mission. Zapata Cooperative will also be Madison's first Latiné themed cooperative and therefore further the goal of education and outreach by welcoming new kinds of populations to cooperative living.

5. How does your agency reflect and engage the experiences of the target populations you serve or intend to serve, including black, indigenous, and other people of color, into your agency's operations and housing programs?

Zapata Cooperative's Bylaws are grounded in community, equity, and democracy. Within the organization, every member will have equal say and equal vote in all aspects of daily life, procedures, and governance of the house. To reflect our target population, the bylaws, leases, policy manuals, etc., will be available in Spanish, and meetings may be interpreted as needed. By placing the cooperative within the existing Madison Latiné community, and with the name Zapata, we hope to create interest and engagement in our house and attract potential members. We recognize the financial power that deeply affordable housing can create, and aim to include members that are vastly underrepresented. We also recognize the economic hardships that disproportionately face the Latiné community, especially during the pandemic. Thus we have created a Resilience Fund within our bylaws, where some money is set aside every month to provide extra resources in the event that a house member is unable to pay rent. This will protect members from more financial difficulty, and from houselessness and evictions which may later bar them from future rentals. Two of Zapata's founding members are of Mexican-American heritage, and will incorporate Latiné food and cultural traditions for Latiné folks to feel welcome and intentionally included.

6. Describe how your agency promotes and supports equity in internal policy and procedures and within the community and the greater Madison area.

Sunny Side Development has supported equity in multiple ways internally and within the community. For its solar grant program, Sunny Side has structured the program to proactively invite homeowners in areas of the city with very little to no solar installations, thus encouraging underrepresented populations to apply. In previous RFP's, Sunny Side has partnered with organizations whose primary mission is housing equity, such as The Road Home, who work directly with homeless children and families. Although not a Sunny Side project, Paul Schechter and Abby Davidson have partnered with Briarpatch for the ReJenerate cooperative, where three units will be reserved for homeless young adults, often LBGTQ+ and people of color. Finally, members of Sunny Side have attended educational workshops on equity in cooperative housing at several NASCO Institute conferences, held across the country.

MACHA has open membership to both current cooperators in Madison and those looking to join housing cooperatives. Any member who attends a general meeting twice in a six-month period has voting capabilities and equal say in how the organization is run and its decision-making process. Per our commitment to equity, we are transitioning away from a purely volunteer-run organization, and have recently applied to grants that will allow hired staff to work cooperative housing education and outreach initiatives. We also talk through the "coopification" process with Madison community members interested in turning their homes into cooperatives or simply provide resources for people wishing to connect with housing co-ops more easily. MACHA maintains an up-to-date contact list for every cooperative house and co-housing property in the City and organizes public socials to connect diverse populations to these housing options.

7. List Percent of Staff Turnover in 2021: 0%
8. Divide the number of resignations or terminations in calendar year 2021 by the total number of budgeted positions. Do not include seasonal positions. Explain if you had 20% or more turnover rate. Discuss any other noteworthy staff retention issues or policies in place to reduce staff turnover.

0% Sunny Side Development only has one staff member which is the Executive Director. MACHA does not currently have any paid staff positions.

9. Indicate by number the following characteristics for your agency's current staff and Board of Directors.

DESCRIPTOR	STAFF		BOARD	
	SSD	MACHA / Zapata	SSD	MACHA / Zapata
GENDER				
Female	0	0	2	2
Male	1	0	3	5
Unknown/Other	0	0	0	0
TOTAL GENDER	1	0	5	7
AGE				
Less than 18 yrs old	0	0	0	0
18-59 Yrs	1	0	5	7
60 and older	0	0	0	0
TOTAL AGE	1	0	5	7
RACE*				
White/Caucasian	1	0	5	7
Black/African American	0	0	0	0
Asian	0	0	0	0
American Indian/Alaskan Native	0	0	0	0
Native Hawaiian/Other Pacific Islander	0	0	0	0
MULTI-RACIAL:				
Black/AA & White/Caucasian	0	0	0	0
Asian & White/Caucasian	0	0	0	0
Am Indian/Alaskan Native & White/Caucasian	0	0	0	0
Am Indian/Alaskan Native & Black/AA	0	0	0	0
Balance/Other	0	0	0	0
TOTAL RACE	1	0	5	7
ETHNICITY				
Hispanic or Latino	0	0	1	2
Not Hispanic or Latino	1	0	4	5
TOTAL ETHNICITY	1	0	5	7
PERSONS WITH DISABILITIES	0	0	0	0

*These categories are identified in U.S. Department of Housing and Urban Development (HUD) Standards.

10. The following attachments are included with this application:

Completed Budget Workbook

Proposals should complete Worksheets 1-4 (Agency Overview, Capital, and Expenses, Proforma).

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

- A completed Application Budget Workbook, showing the City’s proposed financial contribution and all other proposed financing.
- A current list of Board of Directors, with home addresses included for each board member.
- For development proposals with an identified site, a detailed map of the site.
- For development proposals, a Capital Needs Assessment report of the subject property, if the proposal is for a rehabilitation project and if the report is available at the time of application.
- For development proposals, a recent market study or analysis, if available at the time of application.
- For rental development proposals with more than one owner, a Project Organizational Chart, including ownership interest percentages.

NOTE: If an appraisal, market study, or capital needs assessment is not available at the time of application, and the proposal is funded through this RFP process, these items must be submitted to the City prior to receiving a loan agreement.

ATTACHMENT B – Housing Development – Rental

SECTION B – TARGETED AREA (No Identified Site)

DEVELOPMENT TEAM OVERVIEW

1. Please describe the development team’s experience using federal HOME or CDBG funds in detail, including a list of past projects the team has developed using such funds.

The development team consists of six individuals representing two organizations that have an extensive background in all aspects of cooperative housing and financing using local, regional and federal affordable housing funds.

Paul Schechter founded Sunny Side Development in 2018 and has since been involved in a dozen affordable housing projects ranging from single family homes to a 64-unit apartment. Previous to this he developed numerous private residential and commercial properties, including two housing cooperatives of similar size and scope to the subject property. Paul has been awarded \$2,082,000 in Federal Home Loan Bank AHP funding over three applications, the most recent of which will fund a housing cooperative set to break ground in April, 2022. In 2018 Paul Schechter completed a 4-week training course on HOME and has discussed several projects with CDD staff that would utilize HOME/CDBG funds. In 2021, Sunny Side Development was awarded \$300,000 in HOME funding from Rock County for a senior housing rehabilitation in Edgerton, WI. Paul is also an active member in AHAA and 3rd Sector, two local housing advocacy groups that regularly discuss housing policy and funding sources, including HOME/CDBG.

Brel Hutton-Okpalaেকে has worked with people to develop and acquire funding for all types of housing cooperatives across the US with their work in NASCO.

Steve Vig, as former president of MCC and current secretary of MACHA, has worked on previous City of Madison RFPs and other large-scale projects, including the renovation plan of Marsha P. Johnson.

Frida Ballard has worked with the City of Austin (Texas) UNO Trust Fund for affordable housing development in the University Neighborhood in West Campus, on behalf of Taos Cooperative of College Houses.

2. Identify all key roles in your project development team, including architect, legal counsel, property management agent, supportive services provider(s), and any other key consultants, if known.

Contact Person	Company	Role in Development	E-mail	Phone
David Sparer	Carlson Black	Legal Counsel	david.sparer@carlsonblack.com	608-448-6357
Kyle Cushman	Madison Area Cooperative Housing Alliance (MACHA) / Zapata Cooperative	Developer / Property Manager	machacoop@gmail.com	608-438-2980
Paul Schechter	Sunny Side Development	Co-Developer	paul@sunnysidedevelopment.org	608-239-8500
Brel Hutton-Okpalaeke	NASCO	Consultant	brel@nasco.coop	630-890-3165
Frida Ballard	Zapata Cooperative	Co-Developer / Property Manager	frida.ballard@gmail.com	512-750-9257
Steve Vig	Hypatia Cooperative / MACHA	Consultant	stevevig@gmail.com	608-886-8077
Hernán Ballard	Zapata Cooperative	Co-Developer / Property Manager	h.t.ballard@gmail.com	512-635-9257
Andy Mazur	Zapata Cooperative	Co-Developer / Property Manager	mazur3740@gmail.com	608-512-6333
Abby Davidson	MACHA / Sunny Side Development	Co-Developer	abby.s.davidson@gmail.com	608-358-6951

3. Who will be responsible for monitoring compliance with federal regulations and requirements during development and construction phases of the project once site(s) are identified? List prior projects completed.

Paul Schechter has income-certified approximately 50 households for two past LIHTC projects, working closely with Becky Haag of Compliance Specialists, LLC. More recently, he and Abby Davidson have pre-qualified numerous tenants for two properties they own on Jenifer St, which will soon become ReJenerate Housing Cooperative and must comply with City of Madison and FHLBank Chicago, Land Use Restriction Agreements. Also, all Madison Community Cooperative (MCC) properties require annual compliance and several development team members have lived in these properties. Compliance for Zapata Cooperative will be carried out in-house, by all members of the development team with compliance-related experience. After co-op development is complete, the membership coordinator will be trained on how to conduct compliance so annual reports and recertifications can be carried out by Zapata Co-op itself, in a straightforward and efficient manner.

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

Kyle Cushman and Frida Ballard will be overseeing compliance during the Period of Affordability once the housing cooperative is developed and has members; Kyle Cushman is working with Paul Schechter and Brel Hutton-Okpalaeke to better understand federal regulations for housing affordability. Frida is familiar with federal housing laws and local Madison fair housing regulations. Frida has worked on rewriting the lease and Rules of Operation for College Houses in Austin, Texas.

5. Please address, in detail, experience in and/or plans to implement inclusive and culturally-sensitive property management and marketing practices. Please include a list of organizations that you have partnered with in the past for marketing activities.

With this housing cooperative, we plan to have our website, lease, bylaws, and policy manual translated into Spanish and freely available on marketing materials, Spanish-language tours provided by Frida and Hernán Ballard. We also intend on observing Ibero-American holidays and celebrations, physical advertising in neighborhood grocery stores, digital advertising on social media targeting people living within nearby zip codes, all in compliance with advertising regulations and fair housing policy. We will follow Fair Housing regulations for membership, and accommodate dietary preferences for members, including purchasing ethnic, kosher/halal ingredients.

SITE INFORMATION

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

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

The geographic area chosen for this “license to hunt” application was chosen for several reasons. First, the location has close proximity to parks (eg. Arboretum, Vilas Zoo), bike paths (eg. Capitol City Trail, Lake Loop) and bus routes, health facilities (eg. Meriter and St. Mary’s), and other necessary amenities that can be accessed without a car.

Second, most housing cooperatives are located on the isthmus (campus area in particular) or the near-east side, rather than neighborhoods outside the heart of downtown. Currently only one Madison co-op is located south of Regent St. A new housing cooperative on the near south-side would bring a new affordable housing option to families and others who want a quieter living situation, closer to schools, away from most bars, and more friendly to families with small children.

Third, we are looking to promote this new housing cooperative to the existing Latiné community around S Park Street. Creating a cooperative in this neighborhood would allow us to have members be in close proximity to the greater Latiné community and businesses already present. As we would be part of the neighborhood, we would better be able to incorporate into the surrounding culture and increase visibility of cooperatives as a whole.

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

We are planning to acquire/rehab existing housing just south of downtown Madison (near S Park St) that can be renovated into a housing cooperative. We would like a building large enough to accommodate a minimum of 10 Single Room Occupancy (SRO) units. Therefore, we are ideally looking for multi-family buildings that can accommodate 10-20 people, and contain a large common kitchen and living spaces.

10. Number of units you anticipate developing in the targeted area: 10-20

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

Type of Amenities & Services	Name of Facility	In Targeted Area? (yes/no)
Full Service Grocery Store	Asian Midway Foods	Yes
	Pick ‘n Save	Yes
	Mercado Marimar	Yes
	Oriental Shop	Yes
	Oriental Food Mart	Yes
	Yue-Wah Oriental Foods	Yes
	Fresh Market	South Campus
	Capitol Centre Market	Capitol Nbds
	Woodman’s (S Gammon Rd)	No
	Woodman’s (Milwaukee St)	No

	Metcalfe's	Sunset Village
Public Elementary School	Randall Elementary Franklin	Regent nbd Yes
Public Middle School	Hamilton Cherokee Heights	No No
Public High School	West East	No No
Job-Training Facility, Community College, or Continuing Education Programs	Edgewood College Madison College	Yes Burr Oaks nbd
Childcare	Cultured Kids of Madison-Vilas Child Care SSM Health Child Care Center Creando Preschool Pequeños Traviesos Sunshine Family Daycare	No Yes Vilas Burr Oaks Burr Oaks
Public Library	South Central Library	Burr Oaks
Neighborhood or Community Center	Neighborhood House	Yes
Full Service Medical Clinic or Hospital	SSM Health St. Mary's Hospital, UnityPoint Meriter Hospital, UW Health South Clinic	Yes Yes
Pharmacy	Walgreens CVS	Yes Yes
Public Park or Hiking/Biking Trail	Goodman Park Quann Park Brittingham Park Edward Klief Park Vilas Park	Yes Yes Yes Yes Yes
Banking	Associated Bank	Yes
Retail	Quality Hardware	Yes
Other (list the amenities):	USPS Henry Vilas Zoo Funk Factory Geuzeria	Yes Yes Yes

12. Are there seven-day per week transit stops (i.e. weekday and weekends) in or adjacent to your targeted area? List the number of routes and frequency of service at that you expect will service any sites identified in this geography (e.g., hourly, ½ hour, commuter hours). List the bus route(s) numbers, seven-day transit stop street intersections and describe any other transit stops (include street intersections and schedule) located near the targeted geography. Please do not include full bus schedules.

In the targeted neighborhoods, there are many transit stops with routes to different areas of the city.

½ hour weekday/weekend/holiday service:

04 - Park St and Mills St

05 - Park St

06 - Regent St

1 hour weekday/weekend/holiday service:

13 - Park St and Olin Ave

Peak hour weekday service:

44 - Park St, Mills St, and Olin Ave

48 - Park St

75 - Park St

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

As part of developing the ReJenerate Housing Cooperative, Abby Davidson and Paul Schechter have worked with a large number of city departments and committees for approvals, including Zoning and Planning (Conditional Use for Housing Cooperative), Land Division (combining two parcels), Landmarks Commission (property in a historic district), and Board of Zoning Appeals (variance required due to existing non-conforming use).

Most of the properties in the targeted area of interest to Zapata Cooperative are single family properties in Zoning District TR-C1, TR-C2, and TR-C3, in which Housing Cooperatives are a permitted use, and multifamily properties in Zoning District TR-C4, TR-V1, TR-V2, and TSS, where Housing Cooperatives are a Permitted/Conditional use. Under the new zoning provisions, Housing Cooperatives may be converted to have twice the number of legal bedrooms prior to conversion.

Based on investigation of similar properties, this project is of a manageable size and can easily be completed within a one-year time frame. Zapata Cooperative will investigate all suitable properties that come on the market over the next year, as well as leads for off-market properties. Should an award be granted, the developers will discuss with CDD before putting any property under contract. Properties will be evaluated based on zoning, co-op conversion potential, size, condition, price, location, and other factors.

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

The targeted areas are listed in the Generalized Future Land Use Map as mostly Low to Medium density residential, with some Mixed-Use sections along arterial corridors. Because the project is rehabilitation of existing housing, density is expected to remain similar to its current state with a small increase in the number of dwelling units due to co-opification.

The project fulfills multiple strategies of the City of Madison Comprehensive Plan. In the 'Neighborhoods and Housing' Chapter, Strategies 2, 4, 5 and 6 correlate quite well with our proposed project. Strategy 2 encourages a mix of housing types with an emphasis on 'missing middle housing', and cooperatives are specifically mentioned, Strategy 3 recommends increasing the amount of available housing, which our project will do by allowing a greater number of people to live comfortably in an existing property. Strategy 4 discusses several ways to increase affordable housing in Madison and suggests distributing such housing instead of concentrating it, which is best done with smaller sized properties such as we are seeking for Zapata Cooperative, and Strategy 6 encourages the rehabilitation of existing housing stock, particularly in ways that improve energy efficiency.

Plans and recommendations for Area 2 of Greenbush Neighborhood align closely with the goals of Zapata Cooperative, to increase mixed-use and higher-density housing while preserving historic buildings. The Greenbush-Vilas revitalization strategy also includes a goal of more diverse housing types in the neighborhood, which may include more co-housing development projects. The addition of a cooperative would diversify the housing landscape in these neighborhoods, and may meet many needs of the targeted populations: provide housing to the surrounding workforce in SSM St. Mary's and UW Health, non-traditional families near Franklin Elementary, and students at the University of Wisconsin.

CITY AND COMMUNITY ENGAGEMENT PROCESSES

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

The target areas all fall into District 13, whose current Alder is Tag Evers. Abby Davidson lives in this district and is a member of the Bay Creek Neighborhood Association. The group reached out to Alder Evers and he quickly replied, expressing excitement to learn more about this unique development. He suggested a Zoom meeting and we are currently scheduling this meeting for the first week of March.

TENANT SELECTION, AFFIRMATIVE MARKETING & BARRIERS TO ENTRY/STABILITY

16. Does your agency have experience in developing or managing supportive housing units (i.e. 30% AMI units)? If yes, please describe your agency's experience (and experience of relevant property management companies) in working with supportive service providers to support residents in your developments. If you do not have experience in this, please indicate any supportive service agencies you have identified or previously partnered with capacity and willingness to support housing stability in your targeted neighborhood.

While we do not have experience with managing supportive housing units (providing units for houseless folks, in need of mental health services, etc.) as a team, we have been in conversation with organizations like Focus Counseling to potentially provide SROs for folks who need greater support. This is currently not in our plans nor in our capacity to provide as a housing cooperative, but remains a possibility once Zapata Cooperative is completed.

17. Describe your experience with incorporating flexible tenant selection criteria for households who are connected to supportive services, in order to provide housing opportunities for persons or families who would otherwise face common obstacles obtaining housing (e.g., poor credit, negative rental history, criminal conviction records, etc.). Specifically outline how developments utilizing this funding will embrace the City of Madison Tenant Selection Best Practices (Attachment B-1 of the RFP) and provide the maximum feasible flexibility in tenant selection to the general population and supportive service units.

Our cooperative would by default forego the traditional tenant selection practices that disproportionately result in the exclusion of low income applicants and applicants connected to supportive services. Unless an applicant has a history of violent or sexual crimes from the past 5 years, background checks will not be necessary for prospective tenants, and the absence of rental history will not be used against any prospective tenants either. History of said crimes are not an automatic rejection, but will prompt further discussion.

18. Describe your previous affirmative marketing strategies and any other strategies to engage your intended populations. Specifically outline how developments utilizing this funding will embrace the City of Madison's Affirmative Marketing Plan Best Practices (Attachment B-2 of the RFP), especially for Asian and Latinx populations which tend to be under-represented in CDD Completion Reports.

Strategies we will utilize to engage the local Latiné population will include physical advertisements in Centro Hispano, the Multicultural Center at the University of Wisconsin-Madison, Madison College (South), local community centers, libraries, and grocery stores such as Abarrotes Guanajuato. We will also advertise on WORT radio and during the Hispanic Sconnie Radio Hour on WSUM.

19. How will you affirmatively market to populations that will be identified as least likely to apply? Please reference, in detail, successful past practices, relationships with agencies and/or marketing materials used.

Latiné populations are traditionally under-represented in cooperative housing projects within Madison, so our housing project would specifically serve as a space for the Latiné demographic to enter this segment of the low-housing market, a segment which they have generally avoided. We will also advertise heavily to the ADA population of Madison, who already have limited options in the traditional rental market, and even more limited in the cooperative houses of Madison. We have identified these populations and ones who would benefit from cooperative housing the most, but tend to be the least aware of cooperatives. In order for these folks to find us, we will be advertising heavily in many forms, in English and Spanish. Other practices may also include tabling at the UW, MATC campuses as well, and develop relationships with Latiné organizations on the UW campus, such as SACNAS and LMSA (Latino Medical Student Association).

20. For the following development team roles, please identify the number and/or percentage of women and persons of color employed by that company.

Company	Role in Development (if different from above)	# or % Employees/Board who are Women	# or % Employees/Board who are Persons of Color
Sunny Side Development	Co-Developer	40%	20%
MACHA	Co-Developer / Property Manager	25%	0%
Zapata Cooperative	Owner	25%	50%
N/A	Architect		
N/A	Service Provider		

21. Please describe the development team’s experience with contracting with Minority- and Women-Owned Business Enterprises (M/WBE). Beyond standard construction bidding practices, what efforts have been made by the development team to ensure that M/WBE businesses are awarded contracts, and what efforts will be made to ensure that M/WBE businesses are given plentiful opportunities to be competitive when bidding on this proposal.

We have already begun to reach out to minority-owned and women-owned contractors such as Anderson Repairs and DC Interiors & Renovations for estimates on general maintenance requirements needed for most of the sites we have been exploring, such as asbestos-removal. We intend on prioritizing M/WBE contractors once we start to renovate our new development.

22. Beyond standard construction bidding practices, what efforts will the development team commit to ensure that women and people of color represent a meaningful share of the construction labor force working on this proposal. Describe how the development team will commit to exceeding the City’s contract labor utilization goal of 7% for persons of color working on the job site.

We will seek out minority and women-owned labor at every chance possible, whether the company is officially M/WBE, or if at least 7% of its workforce is composed of minorities.

SITE AMENITIES

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

ENERGY EFFICIENCY, RENEWABLE ENERGY & SUSTAINABLE DESIGN

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

Sustainable building design is one of the central goals of Sunny Side Development. By charter, every project it is involved in must result in a net carbon decrease, which is why we are primarily focused on rehabilitating existing properties and recognizing the embodied carbon they already hold. In 2021, Sunny Side Development received its first significant organizational funding from the American Rescue Plan and is dedicating the vast majority of these funds to installing solar panels on low-income family’s homes. We have received over 30 applications for our solar grants program and are partnering with well known organizations including Project Home, Legacy Solar Co-op, and Clean Energy Credit Union to leverage our grants to the largest extent possible. Recipients will not only receive full solar installations, but weatherization and energy efficiency updates so they will recognize utility bill savings from day 1. The intent of this program is to provide vulnerable families with significant financial savings while greatly reducing their carbon footprint.

Two development team members, Abby Davidson and Paul Schechter, are part of the RefineJenifer team that is developing Wisconsin’s first completely net zero affordable housing co-op: ReJenerate Housing Cooperative. To achieve this status, the project has incorporated many energy efficiency and renewable energy features. The project received Design Assistance from Focus on Energy and chose bundle 9, the highest of the available energy efficiency options to choose from. This package includes a full building envelope insulation and air-sealing upgrade, high efficiency geothermal heat pump HVAC, 24kW of solar panels and all electric appliances. In

addition, the co-op will provide three electric vehicles for 25 residents to share, thus eliminating the need for private vehicle ownership, which is the number one source of emissions in the United States. This pioneering project is breaking barriers in many areas and will greatly advance the City of Madison's sustainability goals.

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

The development team is committed to significantly reducing the carbon emissions associated with Zapata Cooperative. First, it should be noted that in comparison to standard affordable housing developments, cooperatives inherently reduce per capita carbon emissions due to the sharing of common spaces. Twelve residents sharing a single kitchen, living room and common bathrooms supplant the need to build these amenities individually, which significantly reduces embodied carbon. Shared meals reduce food waste as well as individual trips to the grocery store. Furthermore, co-op culture helps introduce vegetarian/vegan cooking and composting to new members and visitors who may be unfamiliar with such environmentally-friendly practices.

Regarding the physical property, once a specific building is put under contract we will obtain an energy audit from Focus on Energy to identify opportunities for reduction in energy usage. Most older properties are deficient in insulation, have significant air leakages, and often have older, inefficient appliances. The development team is highly experienced at recognizing areas for energy improvement and implementing them on a tight budget. For example, blowing-in attic insulation and caulking/foaming air gaps is an inexpensive project that a group of co-ops could complete in a weekend. The project proforma includes \$25,000 for a 6kW solar array, air-sealing, and increased insulation. Combined, such improvements can cut carbon emissions by 50%. The specific improvements will not be known until a location is chosen, but we are committed to reducing carbon as much as possible on a fixed budget.

In addition to energy, we will identify opportunities to reduce water use, such as replacing older toilets with modern low flush toilets. Given that 20% of the City's electricity and emissions are the result of water pumping operations, any reduced demand for domestic water will directly help the City reduce its energy consumption. If the existing gas HVAC in a property is at the end of its useful life, we will preferentially add electric heating options such as heat pumps or small amounts of resistive heating.

Finally, by increasing the number of housing units in a bike and transit friendly neighborhood, the number of people who are able to live a car-free lifestyle increases, therefore decreasing the energy and carbon per resident for transportation.

25. What building design and HVAC considerations will your team include to enhance community resiliency for building inhabitants in the face of a potential future pandemic?

We plan to evaluate and work with any property we find to creatively identify opportunities for improved community health. The design of older houses tends to allow for greater ventilation, as air conditioning was not available during warmer months. When used in combination with insulative/reflective window treatments, this saves energy and reduces the spread of illness. In colder months, high MERV furnace filters are a good maintenance strategy where forced air heating is used. However, many older houses utilize radiant heat, which is inherently pandemic friendly. Where possible, we will consider additional radiant heat, especially in combination with energy efficient equipment such as air source heat pumps. Paul Schechter has experience installing this technology on his personal residence. Some properties that have suite-style or flat-style layouts may also reduce isolation and quarantine to a single suite or flat, without the need to isolate the entire house.

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

The ReJenerate Housing Cooperative, currently under development by Paul Schechter and Abby Davidson, includes two ADA units in new construction. Exterior access will include a wheelchair ramp, and the basement common spaces including kitchen, dining room, and laundry room will all be ADA accessible via a platform lift. Additionally, there will be one "visitable" unit in the existing building.

Working with existing housing, some over 100 years old as commonly found in the targeted area, is always a challenge with regard to accessibility. Although making the whole building ADA accessible may not be physically possible or financially feasible, adding a ramp to access the first floor of the building is often an option, as well as adding accessible bedrooms and bathrooms to the first floor. Other ways of improving accessibility include: modifying thresholds and flooring transitions, swapping door knobs for levers, adding grab bars in bathrooms, choosing accessible appliances, etc. Depending on location and necessity, we may look to install an indoor or outdoor elevator.

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

Frida Ballard has served on the Board of Directors at College Houses and helped oversee the renovation of all walkways, ramps, balconies, and staircases, which included making sure all new construction was in compliance with ADA guidelines.

We anticipate for at least 5% of our units to be Type A units, and anticipate to make all first floor rooms Type A units. Changes we may make to buildings to incorporate Universal Design may include clear, contrastive grip tape/paint for each step on staircases, clearly labeled exits, handrails on both sides of stairs, contrasting colors between stairs and flat flooring, lack of low furniture, even flooring throughout, lever handles on doors, and widening entryways to at least 32 inches in width to common areas.

APPLICANT:

MACHA / Sunny Side Development

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	120,900	123,318	125,784	128,300	130,866	133,483	136,153	138,876	141,654	144,487	147,376	150,324	153,330	156,397	159,525	162,715
Less Vacancy/Bad Debt	6,045	6,166	6,289	6,415	6,543	6,674	6,808	6,944	7,083	7,224	7,369	7,516	7,667	7,820	7,976	8,136
Income from Non-Residential Use*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Revenue	114,855	117,152	119,495	121,885	124,323	126,809	129,345	131,932	134,571	137,262	140,008	142,808	145,664	148,577	151,549	154,580
Expenses:																
Office Expenses and Phone	1,548	1,594	1,642	1,692	1,742	1,795	1,848	1,904	1,961	2,020	2,080	2,143	2,207	2,273	2,341	2,412
Real Estate Taxes	17,972	18,511	19,066	19,638	20,228	20,834	21,460	22,103	22,766	23,449	24,153	24,877	25,624	26,392	27,184	28,000
Advertising, Accounting, Legal Fees	1,500	1,545	1,591	1,639	1,688	1,739	1,791	1,845	1,900	1,957	2,016	2,076	2,139	2,203	2,269	2,337
Payroll, Payroll Taxes and Benefits		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Property Insurance	5,500	5,665	5,835	6,010	6,190	6,376	6,567	6,764	6,967	7,176	7,392	7,613	7,842	8,077	8,319	8,569
Mtc, Repairs and Mtc Contracts	16,000	16,480	16,974	17,484	18,008	18,548	19,105	19,678	20,268	20,876	21,503	22,148	22,812	23,497	24,201	24,927
Utilities (gas/electric/fuel/water/sewer)	5,518	5,684	5,854	6,030	6,211	6,397	6,589	6,786	6,990	7,200	7,416	7,638	7,867	8,103	8,346	8,597
Property Mgmt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Operating Reserve Pmt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replacement Reserve Pmt	4,200	4,326	4,456	4,589	4,727	4,869	5,015	5,165	5,320	5,480	5,644	5,814	5,988	6,168	6,353	6,543
Support Services		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other (List)																
House supplies	1,250	1,288	1,326	1,366	1,407	1,449	1,493	1,537	1,583	1,631	1,680	1,730	1,782	1,836	1,891	1,947
Food	16,800	17,304	17,823	18,358	18,909	19,476	20,060	20,662	21,282	21,920	22,578	23,255	23,953	24,671	25,412	26,174
Total Operating Expenses	70,288	72,397	74,569	76,806	79,110	81,483	83,928	86,445	89,039	91,710	94,461	97,295	100,214	103,220	106,317	109,506
Net Operating Income	44,567	44,755	44,927	45,079	45,213	45,326	45,418	45,487	45,532	45,552	45,546	45,513	45,450	45,357	45,232	45,073
Debt Service:																
First Mortgage	37,013	37,013	37,013	37,013	37,013	37,013	37,013	37,013	37,013	37,013	37,013	37,013	37,013	37,013	37,013	37,013
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	37,013	37,013	37,013	37,013	37,013	37,013	37,013	37,013	37,013	37,013	37,013	37,013	37,013	37,013	37,013	37,013
Total Annual Cash Expenses	107,301	109,410	111,582	113,819	116,123	118,496	120,941	123,458	126,052	128,723	131,474	134,308	137,227	140,233	143,330	146,519
Total Net Operating Income	7,554	7,742	7,914	8,066	8,200	8,313	8,405	8,474	8,519	8,539	8,533	8,500	8,437	8,344	8,219	8,060
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	7,554	7,742	7,914	8,066	8,200	8,313	8,405	8,474	8,519	8,539	8,533	8,500	8,437	8,344	8,219	8,060
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	1.20	1.21	1.21	1.22	1.22	1.22	1.23	1.23	1.23	1.23	1.23	1.23	1.23	1.23	1.22	1.22
DCR Total Debt	1.20	1.21	1.21	1.22	1.22	1.22	1.23	1.23	1.23	1.23	1.23	1.23	1.23	1.23	1.22	1.22

Assumptions

Vacancy Rate	5.0%
Annual Increase Income	2.0%
Annual Increase Expenses	3.0%
Other	

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

Food revenue and expense are identical and can be considered a wash. The co-op will pay for what it consumes. House internet at \$129/mn. The co-op will be member managed, as four founding members currently live in Nottingham Co-op and have many years of experience self-managing. Replacement reserve is assumed to be \$300 per unit per year. Assumptions for residential income:
 Unit Type # Units Mo. Rent Ann. Rent
 Co-op SRO 13 575.00 89,700
 Co-op 2BR 1 1,200.00 14,400
 Food 14 100.00 16,800

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	165,970	169,289	172,675	176,128	179,651	183,244	186,909	190,647	194,460	198,349	202,316	206,363	210,490	214,700
Less Vacancy/Bad Debt	8,298	8,464	8,634	8,806	8,983	9,162	9,345	9,532	9,723	9,917	10,116	10,318	10,524	10,735
Income from Non-Residential Use*	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Revenue	157,671	160,825	164,041	167,322	170,668	174,082	177,563	181,115	184,737	188,432	192,200	196,044	199,965	203,965
Expenses:														
Office Expenses and Phone	2,484	2,559	2,635	2,714	2,796	2,880	2,966	3,055	3,147	3,241	3,338	3,439	3,542	3,648
Real Estate Taxes	28,840	29,705	30,596	31,514	32,459	33,433	34,436	35,469	36,533	37,629	38,758	39,921	41,119	42,352
Advertising, Accounting, Legal Fees	2,407	2,479	2,554	2,630	2,709	2,790	2,874	2,960	3,049	3,141	3,235	3,332	3,432	3,535
Payroll, Payroll Taxes and Benefits	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Property Insurance	8,826	9,091	9,363	9,644	9,934	10,232	10,539	10,855	11,180	11,516	11,861	12,217	12,584	12,961
Mtc, Repairs and Mtc Contracts	25,675	26,446	27,239	28,056	28,898	29,765	30,658	31,577	32,525	33,500	34,505	35,541	36,607	37,705
Utilities (gas/electric/fuel/water/sewer)	8,855	9,120	9,394	9,676	9,966	10,265	10,573	10,890	11,217	11,553	11,900	12,257	12,625	13,004
Property Mgmt	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Operating Reserve Pmt	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replacement Reserve Pmt	6,740	6,942	7,150	7,365	7,586	7,813	8,048	8,289	8,538	8,794	9,058	9,329	9,609	9,898
Support Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other (List)														
	2,006	2,066	2,128	2,192	2,258	2,325	2,395	2,467	2,541	2,617	2,696	2,777	2,860	2,946
	26,959	27,768	28,601	29,459	30,343	31,253	32,191	33,156	34,151	35,175	36,231	37,318	38,437	39,590
Total Expenses	112,792	116,175	119,661	123,250	126,948	130,756	134,679	138,719	142,881	147,167	151,582	156,130	160,814	165,638
Net Operating Income	44,880	44,649	44,381	44,072	43,721	43,325	42,884	42,395	41,856	41,264	40,618	39,914	39,151	38,326
Debt Service:														
First Mortgage	37,013	37,013	37,013	37,013	37,013	37,013	37,013	37,013	37,013	37,013	37,013	37,013	37,013	37,013
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	37,013	37,013	37,013	37,013	37,013	37,013	37,013	37,013	37,013	37,013	37,013	37,013	37,013	37,013
Total Annual Cash Expenses	149,805	153,188	156,674	160,263	163,961	167,769	171,692	175,732	179,894	184,180	188,595	193,143	197,827	202,651
Total Net Operating Income	7,867	7,636	7,368	7,059	6,708	6,312	5,871	5,382	4,843	4,251	3,605	2,901	2,138	1,313
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	7,867	7,636	7,368	7,059	6,708	6,312	5,871	5,382	4,843	4,251	3,605	2,901	2,138	1,313
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	1.21	1.21	1.20	1.19	1.18	1.17	1.16	1.15	1.13	1.11	1.10	1.08	1.06	1.04
DCR Total Debt	1.21	1.21	1.20	1.19	1.18	1.17	1.16	1.15	1.13	1.11	1.10	1.08	1.06	1.04

Assumptions

Vacancy Rate	5.0%
Annual Increase Income	2.0%
Annual Increase Expenses	3.0%
Other	

Sunny Side Development

Seth Nowak
930 E Dayton St
Madison, WI 53703

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711 S Orchard St #203
Madison, WI 53715

Abby Davidson
1025 High St
Madison, WI 53715

Ricardo Jomarron
202 Ski Ct, Unit C
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Allison Dungan
2761 Union St
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Madison Area Cooperative Housing Alliance

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Madison, WI 53703

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PO Box 8046 | Madison WI 53708 | 608-243-5000 | 800-236-5560 | SummitCreditUnion.com

June 1, 2021

Sunny Side Development Ltd
Attn: Paul Schechter
1231 E Dayton St
Madison, WI 53703

Dear Paul,

I am pleased to provide you with this pre-approval letter for the financing of 601 Baldwin St, Madison, WI. I have performed a cursory review of the application information provided thus far and this letter serves to confirm that the initial review of information provided is very positive.

This letter is not a commitment to lend. Prior to the issuance of a commitment letter, we must complete a full underwriting evaluation.

Please feel free to contact me directly with any questions regarding this letter.

This preapproval will expire on September 30, 2021.

Highest Regards,

Julie A Spitzack VP
Julie A Spitzack
VP Business Services