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# Developed With Care

How solid program funding  
can lead to non-profit collaboration

Madison Area CLT, City of Madison, Operation Fresh Start

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# Deaken Boggs - Madison Area Community Land Trust

Deaken works as the Housing Director for Madison Area CLT

Started working with MACLT September of 2021

Works on coordinating the MACLT maintenance program

Currently a graduate student with UW Madison DPLA



# Maria J. Davila-Martinez - City of Madison



- M.S. Urban and Regional Planning UW-Madison
- Homeownership strategies, policies, and programs
- President-Elect: Board of Home Buyers Round Table of Dane County (**HBRT**)
- Co-staff Biannual Housing Forward Request for Proposals (**Homeownership RFP**)



**OUR MADISON - Inclusive, Innovative, Thriving.**

**Community Development Specialist**

**City of Madison DPCED**

[mdavila-martinez@cityofmadison.com](mailto:mdavila-martinez@cityofmadison.com) | 608-266-6557

# New Communities, Inc.





# Madison Area Community Land Trust - MACLT

Mission: MACLT liberates land for the benefit of historically marginalized populations at the lowest incomes possible, preserving urban space for community use, and creating deeply and permanently affordable homeownership opportunities for those typically exploited by the housing market.





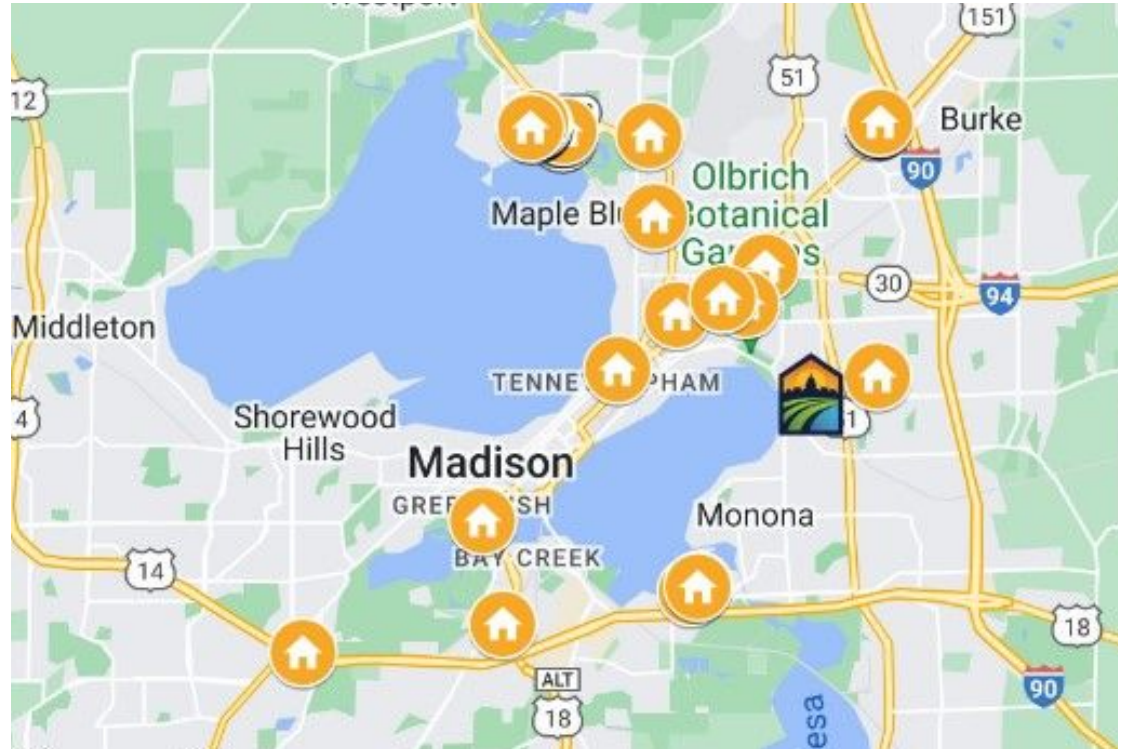
# MACLT

founded in 1991

62 permanently affordable homes

120+ families served

$\frac{1}{3}$  -  $\frac{1}{2}$  of board is always residents

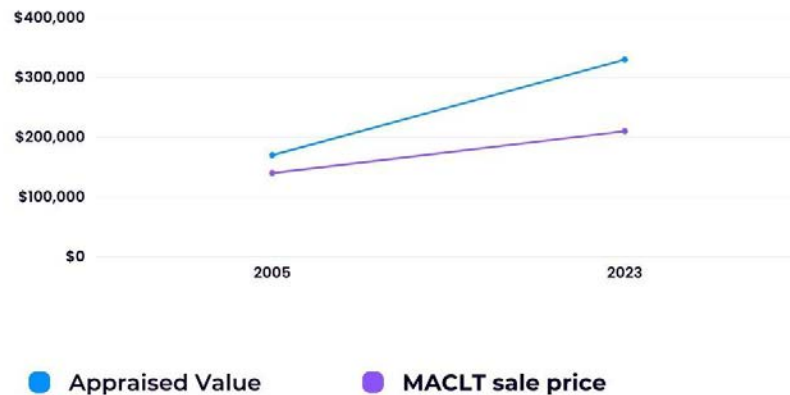


# MACLT Resale Formula

$$\begin{aligned} & \text{Base Purchase Price} \\ & + 1\% \text{ Simple Interest Rate} \\ & + \text{Value of Qualified Capital Improvements} \\ & = \\ & \text{Maximum Sales Price for Current} \\ & \text{Homeowner} \end{aligned}$$

The resale formula assists in providing permanent affordability for MACLT homes and clearer equity understanding for homeowners

## Home price: 22 Camino del Sol





# CLT Homeownership Benefits

## Benefits to Homeowners

- Stable place to live
- Autonomy over the home
- Wealth building with modest financial returns on investment
- Can refinance to start a business, college
- Starter home for first-time homebuyers
- Support through CLT membership
- Opportunity to pass home to children
- 90% reduction in foreclosure rate

## Public Benefit

- Addresses long-term need for workforce housing as wages stagnate
- Permanent affordability & efficient use of public funds: subsidy stays with the land
- Generations of place-based impact
- Neighborhood stability & anti-gentrification strategy

# City of Madison - Housing Forward

RENTAL (NON-TC)

HOMEOWNERSHIP

2020 - \$6.85M

2022 - \$11.65M



- Increase housing choice
- Create affordable housing throughout the City
- Combat displacement and Segregation
- Ensure seniors and others can stay in their homes
- Work to end homelessness

1

**Improve Existing Owner-Occupied Housing Stock** Preserve, upgrade and make accessibility improvements to the current inventory of affordable, owner-occupied housing units.

2

**Expand the Supply of Owner-Occupied Housing** Increase the number of affordable, owner-occupied housing units through new construction, renovation or conversion.

3

**Homebuyer Assistance** Put stable, affordable homeownership within reach of a broader mix of Madison households.

# City of Madison Support

**2020**

**\$360,000**

**3 UNITS**

**\$108,000 x2  
Maintenance**

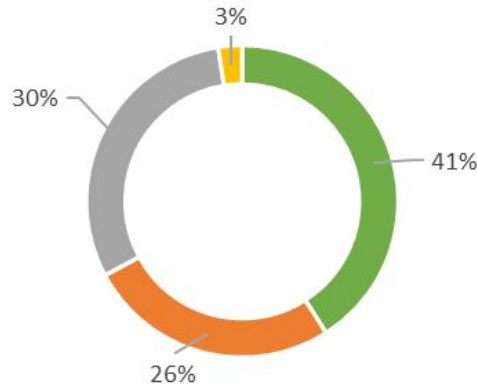
**2022**

**\$1.05M**

**7 UNITS**

**\$143,469 x2  
Maintenance**

2022 Housing Forward Funding Allocation



- Housing Development
- Home Repair Programs
- Down Payment Assistance
- Financial Education

**2020**

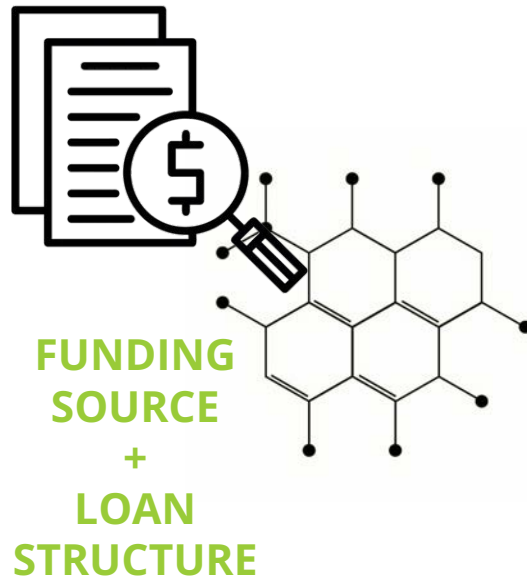
**5% Dev. of Total  
6% including  
Maintenance**

**2022**

**9% Dev. of Total  
10% including  
Maintenance**

**\*\* Homeownership RFP ONLY - 21 % of Total Awards ; 64% of Development Awards**

# Housing Forward Loans used with MACLT



# Operation Fresh Start Introduction

**Operation Fresh Start empowers emerging adults on a path to self-sufficiency through education, mentoring, and employment training.**



OFS offers several employment training programs  
Build Academy Development Partner with MACLT



# Operation Fresh Start Partnership

OFS worked as the general contractor for our 3 acquisition rehab projects

Provided all range of work and coordinated with subcontractors on tasks they couldn't handle in house

OFS warned that their pace wasn't as fast as other contractors that worked perfect for MACLT as we weren't as fast as other developers!



Additional runway for projects proved to be a benefit for MACLT to help manage project workload



# 1st home Hermina St - \$47,000 Rehab + Soft Cost

## Projects Completed

- Roof repair
- Retaining wall repair
- Appliance Updates
- Interior Painting
- Addressed basement water issues and replaced flooring



# Hermina St

\$230,000 Home cost to MACLT

\$47,957 Rehab and Soft Costs

\$277,957 Total Project Cost

\$108,000 Direct City Subsidy

**\$165,000 Sale price**

**Sold to a family at**

**57% County Median Income**



# 2nd home Northwestern Ave - \$55,000 Rehab + Soft Cost

## Projects Completed

- Replaced siding, soffit and fascia
- Replaced interior flooring
- New ADA compliant entry path
- Increase attic insulation
- Update electrical and plumbing
- Install new appliances
- Property lead abatement





# Northwestern Ave

\$167,000 Home cost to MACLT

\$55,319 Rehab and Soft Costs

\$222,319 Total Project Cost

\$93,560 Direct City Subsidy

**\$157,000 Sale price**

**Sold to a family at**

**56% County Median Income**



# County Median Income Context

2022 CMI Family of 2

80% - \$71,550

60% - \$55,380

50% - \$46,150

30% - \$27,700

2023 CMI Family of 5

80% - \$102,250

60% - \$79,140

50% - \$69,950

30% - \$39,600

<https://www.cityofmadison.com/sites/default/files/city-of-madison/dpced/community-development/documents/HUD%20HOME%20RENT%20AND%20HOME-CDBG%20INCOME%20LIMITS%202022.pdf>

<https://www.cityofmadison.com/sites/default/files/city-of-madison/dpced/community-development/documents/HUD%20HOME%20RENT%20AND%20HOME-CDBG%20INCOME%20LIMITS%202023.pdf>

# 3rd home N Marquette St - \$92,000 Rehab + Soft Cost

## Projects Completed

- New Roof
- New garage structure
- Removal of knob and tube wiring
- Supported basement structure
- Updated mechanicals
- Repaired stairs at property



# N Marquette St - \$186,000 sale price

\$210,000 Home cost to MACLT

\$92,000 Home rehab

\$302,000 Total Project Cost

\$116,000 Direct City Subsidy

**\$186,000 Sale price**

**Sold to family at  
32% County Median Income**





# Supporting our homeowners

- Lending partners: credit coaching, connect buyers to down-payment assistance
- MACLT Orientation for applicants
- Required: HUD certified first-time homebuyer courses from partner orgs
- Communication throughout homeownership: connections to social services, maintenance contractors, lending partners, advice/support network of homeowners
- MACLT Maintenance Program
- Maintenance Partnerships: Project Home, Movin' Out

# MACLT VALUES & PRACTICES



Questions?

Thank you for attending!

