

**THIS IS AN AFFORDABLE HOUSING PROJECT PROGRESS REPORT PRESENTED TO THE CONGREGATION ON 9/8/24. NO DECISIONS WILL BE MADE UNTIL THE CONGREGATION APPROVES THE DEVELOPERS' CONTRACT ON 9/22 SO THE PROJECT CAN MOVE FORWARD. MORE INFORMATION WILL BE SHARED ON 9/22 (AT THE END OF WORSHIP)—PLEASE PLAN TO ATTEND FOR THIS IMPORTANT VOTE. THANK YOU!**

Sue: Introduction of Selection Team and me

Bonnie: Thank you, Sue. On Sunday, September 22<sup>nd</sup> you're going to be asked to vote on the proposal you have on the half-sheet of paper. It states,

On September 22<sup>nd</sup>, you are being asked to vote on a proposal to move ahead with the developers (Three Leaf Partners, Impact Seven, and Catalyst Construction) who submitted a proposal for Zion's affordable housing project. Their next steps would be to submit a contract to design, secure funding for, and build/renovate for affordable housing on the Zion campus. In order to safeguard Zion's interests, we are engaging both an attorney and an affordable housing consultant with expertise working with churches to review the contract and ongoing work of the developers, as well as assist Zion in creating a longer-term strategic plan.

We also are seeking approval from the congregation for the Zion Selection Team, Development Team, and Planning Team to make day-to-day decisions for the project in keeping with the best interests of Zion and its vision for the future.

So this morning, I'm going to give you a BRIEF overview of the project, stating clearly that all the details are NOT worked out and likely won't be until a contract with the developers is signed, things get run past the City for approval, and what turns up as the build gets underway. Throughout the whole process we'll likely have to pivot as issues come up to be addressed, but with that in mind, let me give you an overview, Kandie will then speak to the financing, and Sue will tie things up with talking about timelines and action steps. Then we'll open it up for questions, so please jot them down and hold them until we open it up.

- We are seeking to contract with the group of developers which includes Impact Seven (a NFP developer), Three Leaf Partners (a for-profit developer), and Catalyst Construction to build an affordable housing project on the campus of Zion Lutheran Church.
- We are also seeking to contract with Carrie Sanders, a faith-based housing expert who Kandie will share a bit more about shortly.
- The contract with the developers will likely be structured as a long-term land lease which generates income for Zion through the lease of the land and some other income streams that will get fleshed out as the contract gets firmed up.
- It will create 75 units of housing available to people across a variety of income levels, but mainly workforce housing for people in jobs that don't pay enough for them to afford to buy a home of their own given the exorbitant prices of houses these days.
- It will likely involve renovating the two schools and building two new 3-story buildings, but that's still open to future decisions based on more thorough evaluation of the buildings, what the City has to say, etc.
- Because one of the development groups IS a NFP, we now have the opportunity to fundraise for the capital needed for this venture, although the developer is responsible for putting together all of the sources of funding needed to make it happen. So please be thinking about how you might contribute to this project which not only helps with the current housing crisis, but also helps Zion as a whole, including the church, the schools, Zion Place and more. We need to be thinking in terms of the whole, not in parts.
- We have a lot of work to do moving forward, but that's my part of the update this morning. So now I'll turn it over to Kandie.

Kandie: At the start of this project I did a lot of research on my own, attended several conferences and was a part of many interviews with Bonnie and specialists in affordable housing as well as taking tours of other organizations who have done this work. When the congregation gave us the ok a yr and a half ago to pursue affordable housing as a way to save our church, it was not taken lightly. Many members as well as myself have long family ties in this church.

We have an opportunity to not only save our church but as Gwen put it, create a legacy for Zion. By creating much needed affordable housing for people who can't find any, like teachers, police, fire fighters and paramedics to name a few.

Our goal is to be good financial stewards of the resources that we have. We want to enter into a contract with the 3 companies previously mentioned by Bonnie.

They will be funding the build in a number of ways, one of which is with tax credits from WHEDA. In order to do that they must present this project in December to WHEDA. The project was reviewed by a former specialist in the selection process and he said we have a very good opportunity to obtain WHEDA funding.

There is an initial contract fee with these 3 companies to create drawings, do feasibility studies, do any needed zoning changes with the city etc. We do not have a definite amount yet.

In order to be fiscally responsible and do what is in the best interest of Zion, we need to obtain the services of a lawyer to review contracts for us and a Real Estate development consultant/strategic planner who can help us to establish a long term financial plan, not only for the housing project but for Zion as well. We have never had a long range financial plan and that is greatly needed in order for our church to survive. Unfortunately, we as a congregation do not have the expertise to do these things on our own. Carrie Sanders is the Founder & CEO of Hope Community Capital. She has many years of experience in finance. She worked as a senior consultant in a national accounting firm, and also has experience in strategic planning for nonprofit community development organizations as well as other extensive financial and housing experience. She will assist us by providing a strategic 10 yr financial plan for the church and separately a long term plan for the housing project. I encourage you to look her and her company up. She has served this same role for years in her own church in Madison.

Bonnie and I will be interviewing a lawyer who Carrie has worked with on other mission based projects.

We have been getting other support for our project such as, Grants were received from Zion's endowment fund, the Community Foundation and ELCA East Central Synod. Donations from Zion's Good Friday service, and pledges from First English Lutheran Church, St. Mary Catholic Church and the Unitarian Universalist Congregation. We are working in collaboration with other nonprofits, community leaders and Appleton's Historic Central

Neighborhood Association of which the church sits. They are also very passionate about not wanting to see anything happen to our church. October 12th, Zion and this project will be featured at the Faith based Housing Summit in Appleton at First Congregational. If you are considering where to donate your tithings or anyone knows of any other organizations or faith communities interested in helping sponsor our project please let one of us know.

Now I'm going to turn it over to Sue to bring this together and then we'll open it up for questions.

Sue – can't survive as is, timeline, call to action.  
Questions?