



April 15, 2010

Bill Clingan
Community Development Division Director
City of Madison
PO Box 2985
Madison WI 53701-2985

Dear Bill and CDBG Committee Members:

Enclosed you will find an application for CDBG Office assistance for a proposed acquisition with rehab project on Carling Drive in Madison. As indicated, MDC plans to acquire two buildings in the Allied Drive neighborhood, on Carling Drive. These buildings are in a bank foreclosure process at this time. We hope to work with the owner and the bank to intervene in the interest of stabilizing the properties and the neighborhood. As you know, we are cooperating with other non-profit agencies to resolve foreclosure on several units in 3 other adjacent buildings on Carling held by this owner, as well. Specifically, coordination with Habitat for Humanity is crucial to stabilize the home ownership of several unsold units in the adjoining buildings.

Our MDC funding request is for a total of \$620,320. We defer to your office as to how to fund this project, and match your various sources with the best use. I suggest and offer that up to 5 units in our proposal are vacant and otherwise eligible for funding through the NSP. MDC is one of 3 agencies in the NSP 2 contract. While there is somewhere around \$250,000 of NSP funds available for rental foreclosures, I know other agencies may be applying at this time as well for a share of NSP 2. Additionally, MDC has CDBG Program Income funds under contract in an amount of roughly \$108,000. We are prepared to utilize these funds for this project or to exchange them for HOME or other suitable funding to complete the request. Our budget shows MDC borrowing of \$42,000 to complete the acquisition, rehab and leasing. We also intend to acquire an eighth condominium unit owned by a private individual in the 2341 Carling building. We propose to do so as a voluntary sale outside of the requested grant funded activities. MDC will privately finance that acquisition, which could cost in the range of \$78,000.

We welcome the challenge and opportunity to become involved in the Allied Neighborhood, and devote our resources and capabilities to assist the ongoing redevelopment efforts and City commitment there. We are also pleased to join other non-profits in proposing a joint resolution to a potential foreclosure action that could impact 40 or more homes in the neighborhood.

Please feel free to contact me if you have any questions at fstan@mdcorp.org or call me at 256-2799 Ext. 212.

Sincerely,

Handwritten signature of Frank Staniszeewski in cursive script.

Frank Staniszeewski, President