



CommunityDevelopmentAuthority

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DATE: September 6, 2012

TO: Allied Development Subcommittee

FROM: Natalie Erdman, Executive Director
Community Development Authority

SUBJECT: Allied Drive Redevelopment

Revival Ridge

- On Saturday August 25th at about 4:00 in the afternoon, there were gun shots fired on our property. Our buildings were hit by three bullets. We are working with the Madison Police to assist them with their investigation. They have identified the perpetrator and the target. Neither lives at Revival Ridge; however, we suspect that the target has an association with one of our Revival Ridge residents. We are also reviewing safety and security measures at the property with Stone House.
- I sent the attached letter to residents and am in discussions with the Mayor's office about the seriousness of this incident.
- We have agreed to allow the placement of a neighborhood message board on the Revival Ridge property by the Allied Dunn's Marsh Neighborhood Association (ADMNA). Having a location for neighborhood communication has been a priority for the neighborhood residents and we are happy to assist them in their efforts.

Mosaic Ridge

- An application for Affordable Housing Trust Fund ("AHTF") to fund a construction loan fund for low income buyers at Mosaic Ridge (the "Construction Loan Fund") was submitted to the City of Madison CDBG office on August 10th. We requested a loan from the AHTF of \$180,000 with simple interest of 2.75% for a term of three years. The funds would be paired with other CDA funding of \$365,000 to create \$545,000 of availability. The Construction Loan Fund will be available to fund up to three home buyers at a time and could revolve at least once to serve a total of six families. Discussions with the CDA preferred lenders indicated that construction loans for our low income buyers are rare and inflexible and our ability to fill that financing gap will be critical. All CDA construction loans will require a permanent loan commitment from a CDA preferred lender prior to closing.

- Preliminary home plans and affordability were reviewed with the Allied Area Task Force and received a favorable reaction.
- Two neighborhood residents have been selected to test the Home Buyer Education and Readiness Screening process.
- We are working on the selection of a marketing company to assist with a logo, web page and print materials.