



COMMUNITY FACILITIES LOAN PROGRAM (CFL)

APPLICATION

- Applicants should read the CFL program guidelines document before completing this application.
- If you need support in a language other than English, please contact Community Development Division: cdd@cityofmadison.com who will help coordinate translation services.
- Applicants must be an already established non-profit corporation (Non-stock Corporation) organized under Chapter 181 of Wisconsin Statutes and in compliance with the Wisconsin Department of Financial Institutions (DFI).

Please note: the CFL program has a budget of \$1,500,000. Once funds are exhausted, applications will no longer be accepted. Applications are considered on a first-come, first-served basis.

Questions can be directed to cdd@cityofmadison.com or to Community Development Grants Supervisor, Linette Rhodes, at lrhodes@cityofmadison.com or 608-261-9240.

Organization Name: Tellurian, Inc.

Contact Name: Steve Lawrence, CFO

Phone: 608-334-4944

Contact Email: slawrence@tellurian.org

SAM/ Unique Entity Identifier # SF6NNLM3HLK1

Please select the option that best describes the nature of your project:

- ☐ Acquisition ☐ New Construction ☐ Rehabilitation- property owned
☐ Rehabilitation- Leased Space (5 year lease) ☒ Rehabilitation- Leased Space (10 year lease)

Project Address: 702 W. Main St

Zip Code: 53715

Amount requested: \$ 100,000

Please describe, in detail, the proposed project:

In November of 2025, Tellurian plans to enter into a 10 year lease at 702 W. Main St. The intended use of this space is twofold: 1) Expand our current "Community Intervention Team's" case management and psychiatric services and 2) Move our current Detox & Withdrawal Management services to a sustainable location with a focus on harm reduction. Moving and expanding our case management offices from Williamson St. to Main St., will allow Tellurian to move the residents currently residing at the SRO located at 1053 Williamson Street to different locations.

The proposed project entails converting the 1st floor of the building into a community based medication management clinic with office space for ten case managers, an APN/Psychiatrist, licensed counselor, and a certified Peer Support Specialist. The renovation of the 1st floor will provide communal and individual space (medication desk, group room, day room) for clients. Remodeling costs associated with the project include: Demolition of existing floor plan and installing 18 interior walls, preparation and installation of new LVP flooring, painting of new and existing walls, doors and ceilings, prepare build-out for electrical upgrades, install new porcelain tile in front entrance, install emergency lights, upgrade exits with fire doors, install a nursing station on the 2nd floor, and make improvements to the parking structure located on site.

How will this project affect your organization?

The project plan will further Tellurian's goal of service line diversification by expanding our comprehensive community based services and increasing the number of individuals we can serve on a daily basis. Diversification provides additional security against market fluctuation and recruiting and retaining staff. This project is also in-line with Tellurian's mission of serving the indigent. Additionally, the project will provide a sustainable operational model for our detox/withdrawal management services.

How will this project impact the community you serve?

By expanding and centralizing our community case management programs at 702 W. Main Street, Tellurian would improve our continuity of care between programs, expand targeted case management services to high risk individuals, and offer additional medication management/psych services every week at our Med Psych clinic. Currently there is a 2-3 month wait list for CCS services and this project would directly reduce wait times for approximately 100 individuals in the community. Moving our Detox/withdrawal management program to the Main St. location will assure of the continuation of the withdrawal management program and provide this valuable service in a "harm-reduction" model. Approximately 90% of the individuals served will benefit those with household incomes at or below the 80% of the County median income. Moving the withdrawal management facility will also benefit the Madison Police Department and other city services staff by reducing officer "down time" at emergency rooms, allowing the police to better serve the community. Moving office space and a 15 unit SRO away from Williamson Street will also provide the residents and visitors a safer environment. The move will improve the safety and experience for the Willy st. community.

How will this project impact your operations?

Expanding our community based case management services, Tellurian will be in position to seek out Targeted Case Management contracts (TCM) which can serve individuals who not qualify for CCS services but will benefit those with household incomes below 80% of the County Median income. The additional space and service delivery will improve internal coordination and referrals resulting in additional services to individuals in need, in a timely manner. The project will also provide an opportunity to expand case management services such as employment preparation.

Project Timeline

Description	Projected Dates (Mo/Yr)
Acquisition/Real Estate Closing	N/A
Rehab/Construction Bid Publishing	09/2025
Construction/Rehab Start	10/2025
Construction/Rehab Completion	11/2025
Services or Programming Start Date	12/2025

SOURCES AND USES OF FUNDS

This is a statement of how much money is required to complete the project, its source, and how it will be used. By definition, sources must equal uses.

SOURCES OF FUNDS	Amount	Source: Lender, Grantor, etc.
Permanent Loan:		
Subordinate Loan:		
Subordinate Loan:		
City Financing Requested:	100,000.00	
Project Equity (own funds):	50,000.00	
Other:	80,000.00	Grantor
TOTAL SOURCES:	230,000.00	
Construction Financing		
Construction Loan:		
Bridge Loan:		
Other:		
TOTAL:	230,000.00	

USES OF FUNDS	Amount	Source
Purchase Building:		
Build-out (if new purchase):		
Renovations/improvements (existing building):	230,000.00	City of Madison, Grantor, and project equity
Equipment purchase:		
Other:		
TOTAL USES:	230,000.00	

All Applications:

- All applications must submit an Operating Plan, Offer to Purchase or Contractor Bids, and executed Lease, if applicable.
- All applications must submit evidence of other funding sources secured for the project.
- Funded applicants are responsible for complying with all of the terms and conditions outlined in the CFL Program Guidelines.
- Applications to the Community Facilities Loan Program will be considered on a first-come, first-served basis.
- Final approval of funds will be awarded, via a Resolution, by the City's Common Council with recommendations from the CDBG Committee. Timeline for a commitment of funds is contingent upon committee's schedule.

APPLICATION CERTIFICATION

The Applicant certifies that all information in this application, and all information furnished in support of this application, is given for the purpose of the City of Madison Community Facilities Loan Program and is true and complete to the best of the applicant's knowledge and belief.

Signature _____



Date: _____

10/22/2025

Applications must be submitted to the Community Development Division by email:

cdd@cityofmadison.com

Ritchie Renovations Inc

Estimate

P. O. Box 590
Sun Prairie, Wi. 53590

scott@ritchierenovation.com

Date	Estimate #
9/25/2025	214

Name / Address
Tellurian 702 Main Street Madison WI

Project				
Item	Description	Qty	Rate	Total
	Jake's Place Bldg 702 West Main St Madison, Wi. 53715			
02.10 Demo	Demo- all existing furniture and unneeded equipment and dispose of to include- Bedding Furniture cabinets	1	6,500.00	6,500.00
23 Floor Coverings	Demo Existing / Supply and install new LVP in areas as directed . Product/ Gravity 20 mil wear layer Color/Boston includes shipping and handling	6,100	10.52	64,172.00
additional work	Additional floor prep needed for areas where LVP flooring is installed. Scrape floors clean from existing glue . resurface all areas with cementious product	1	11,000.00	11,000.00
23 Floor Coverings	Remove existing Flooring / Supply and install new carpet tiles Product- Victory Tile 19.6x19.6 746 Carpet tile includes shipping and handling	460	32.00	14,720.00
Rubber Base	Remove existing /Supply and install new 4" cove base as needed Product- Roppe 1/8"x 4" cove base Color- Burnt Umber	2,760	3.00	8,280.00
12 Doors & Trim	Provide 2 fire doors 2cd floor to meet code and install	2	6,800.00	13,600.00
16 Electrical & ...	Provide 3 emergency lights at door location and additional at exit door move outlets to accommodate new tv locations	1	4,500.00	4,500.00
21 Cabinets & V...	Supply and install new Quartz Counter top at Nurses Station	1	4,000.00	4,000.00
		Total		

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Estimate

P. O. Box 590
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scott@ritchierenovation.com

Date	Estimate #
9/25/2025	214

Name / Address
Tellurian 702 Main Street Madison WI

Project				
Item	Description	Qty	Rate	Total
18 Interior Walls	Supply all materials and labor needed to build out office space per spec - Drawings to be submitted and approved before construction starts 1. Basement level entry 2. 1st Floor front desk, / employee lounge 3. 2cd floor office partition walls	1	32,500.00	32,500.00
24.2 drywall prep	Remove existing VWC / all signage/ Electrical plates /Hardware and prep walls to receive new paint floors 1-2	1	4,000.00	4,000.00
24 Paint	Paint all walls / doors/ ceilings as needed 1st-2cd floor	1	18,000.00	18,000.00
10 Exterior Trim...	Resurface columns @ parking lot provide new aluminum corner guards	1	2,800.00	2,800.00
Tile Installation	Remove existing /Supply and install new Porcelain tile @ entry 250 SQ. Ft. Product- Sahara Sand 12x24 grout- Fa-11 S Beige	250	17.50	4,375.00
Administrative ...	Project Management- 2200. 00 weekly	8	2,200.00	17,600.00
Administrative ...	Insurance	1	16,560.00	16,560.00
25/Furniture Ins...	Install new furniture /desk/partitions as needed	1	5,200.00	5,200.00
33/Trash-Debris ...	Remove all associated debris	1	2,200.00	2,200.00
Total				\$230,007.00



Operational Plan

702 W. Main St.

Building Use

The 1st floor of the building will be used for our Community Intervention Team (CIT) and Med-Psych clinic. These programs have been in existence for over 20 years and are moving operations to Main St. in order to expand services to the community. CIT is currently comprised of six case managers, an RN and part-time psychiatrist. Programming consists primarily of providing comprehensive case management services to low-income adults suffering from mental illness, substance abuse disorders and unstable housing as well as a 1x/week medication management/psychiatric clinic. Tellurian plans to double the number of case managers over the next two years and offer med management/psychiatric services multiple days per week.

Hours of operation will be Monday-Friday from 8am-430pm as well as 24 hour on-call services.

The 2nd floor of the building will be used for our Detox/Withdrawal Management unit. This facility was previously located at Industrial Drive (Madison) for over 35 years. The detox facility provide both voluntary and involuntary detox and medically monitored withdrawal management services to primarily low-income adults suffering from substance abuse disorders. The facility will also provide those seeking SUD treatment, a safe environment prior to treatment.

This facility will operate 24 hours/day, 365 days/year

Maintenance

Tellurian employs two full-time maintenance workers and will utilize contracted service providers for landscape and snow removal.

Staffing

The CIT program is staffed with case managers/social workers, a supervisor, RN, CNA, and a psychiatrist.

The withdrawal management program staffing is dictated by WI statute 75.57, which requires 24-hour nursing, AODA counselors, MD supervision and 24 hour medical on-call services.

Financials

The CIT program has been operating for over 20 years under a sustainable financial model. The demand for services is beyond current capacity and the program will expand personnel and services to meet the demand.

The Withdrawal Management program requires operational and contract restructuring to become sustainable. The move to the Main Street location will allow for such restructuring and also provide opportunities for operating grant funds, otherwise not available at the Industrial drive location.

2026 BUDGETS – Following pages

Tellurian, Inc.
Community Intervention Team
2026 Budget

	<u>Budget</u>
REVENUES	
CONTRACTS WITH GOVT AGENCIES	
Total CONTRACTS WITH GOVT AGENCIES	\$ 1,275,000
OTHER REVENUE	<u>25,000</u>
Total REVENUES	1,300,000
EXPENDITURES	
PERSONNEL	
WAGES	650,000
TAXES	52,000
BENEFITS	<u>125,000</u>
Total PERSONNEL	827,000
OPERATING	
INSURANCE	14,103
PROFESSIONAL FEES	51,995
OFFICE/POSTAGE & PRINT	3,869
LEASING & FURNISHINGS & EQUIPMENT	6,476
COMMUNICATIONS	12,122
TRAINING EXPENSES	5,855
VEHICLE EXPENSES	41,978
HOUSEHOLD & FOOD	1,621
CLIENT SUPPLIES	3,500
PROGRAM EXPENSES	8,286
DEPRECIATION & TAXES	<u>4,150</u>
Total OPERATING	153,955
SPACE	
RENT	
UTILITIES	90,000
MAINTENANCE & REPAIRS	12,061
LEASEHOLD IMPROVEMENT DEPRECIATION	<u>23,504</u>
Total SPACE	125,565
Total OPERATING EXPENDITURES	1,106,520
ADMINISTRATIVE	<u>165,978</u>
TOTAL EXPENDITURES	1,272,498
NET REVENUES AND EXPENDITURES	<u><u>\$ 27,502</u></u>

COMMERCIAL LEASE AGREEMENT

This Lease Agreement ("Lease") is entered into as of **December 1, 2025**, by and between:

Landlord:

TFI, Foundation, Inc.
5900 Monona Drive, Suite 300, Madison WI 53716
("Landlord")

Tenant:

Tellurian, Inc.
702 W. Main Street, Madison, WI 53715
("Tenant")

Landlord and Tenant may each be referred to individually as a "Party" and collectively as the "Parties."

1. Premises

Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the real property and improvements located at **702 W. Main Street, Madison, WI 53715** (the "Premises").

2. Term

The term of this Lease shall be **ten (10) years**, commencing on **December 1, 2025** ("Commencement Date"), and ending on **November 30, 2035** ("Expiration Date"), unless earlier terminated in accordance with this Lease.

3. Rent

Tenant agrees to pay to Landlord, as rent for the Premises, the sum of **\$15,000 per month** ("**Base Rent**") for the first year of the Term, payable in advance on the first (1st) day of each calendar month during the Term.

Beginning with the second Lease Year and on each anniversary of the Commencement Date thereafter, the monthly rent shall increase by **three percent (3%)** over the rent payable for the immediately preceding Lease Year.

All rent payments shall be made to Landlord at the address designated in writing by Landlord.

4. Intended Use of Premises

Tenant shall use the Premises solely for **human services, administrative, clinical, educational, counseling, and other related program operations consistent with the nonprofit mission of Tellurian, Inc.**

The Tenant's operations shall be conducted in a manner consistent with its **501(c)(3) charitable status** and applicable laws and regulations governing nonprofit organizations.

Tenant shall not use or permit the Premises to be used for any purpose that is unlawful, hazardous, or inconsistent with the foregoing intended charitable and programmatic purposes, without the prior written consent of Landlord.

5. Maintenance and Repairs

Tenant shall be responsible for all general maintenance, janitorial services, and routine repairs necessary to keep the Premises in good condition and repair, including HVAC systems, plumbing, fixtures, equipment, and any tenant improvements.

Landlord shall be responsible for all structural and capital improvements, including the roof, foundation, and exterior walls, as well as any major capital repairs or replacements required to maintain the integrity of the building.

6. Utilities

Tenant shall be responsible for payment of all utilities serving the Premises, including but not limited to electricity, gas, water, sewer, internet, and waste removal, unless otherwise agreed in writing.

7. Taxes and Insurance

Landlord shall be responsible for all real estate taxes and assessments on the Premises.

Tenant shall maintain commercial general liability insurance in an amount not less than **\$1,000,000 per occurrence** and **\$2,000,000 aggregate**, naming Landlord as additional insured.

8. Alterations and Improvements

Tenant shall not make any structural alterations or improvements to the Premises without prior written consent of Landlord.

All permanent improvements shall become the property of Landlord upon termination of the Lease unless otherwise agreed.

9. Assignment and Subletting

Tenant shall not assign, transfer, or sublet any part of the Premises without the prior written consent of Landlord, which shall not be unreasonably withheld.

10. Default

Failure by Tenant to pay rent or otherwise perform any term, covenant, or condition of this Lease shall constitute a default.

Landlord may terminate this Lease after giving Tenant written notice and a reasonable opportunity to cure, in accordance with applicable law.

11. Indemnification

Tenant agrees to indemnify and hold harmless Landlord from any and all claims, damages, or liabilities arising out of Tenant's use or occupancy of the Premises, except to the extent caused by Landlord's negligence or willful misconduct.

12. Termination and Renewal

Tenant shall have the option to renew this Lease for an additional term of **five (5) years** upon written notice to Landlord at least **180 days** prior to the expiration of the initial term, upon mutually agreed rental terms.

13. Governing Law

This Lease shall be governed by and construed in accordance with the laws of the **State of Wisconsin**.

14. Entire Agreement

This Lease contains the entire agreement between the Parties and supersedes all prior agreements, understandings, or representations.

Any amendments must be in writing and signed by both Parties.

15. Notices

All notices required or permitted under this Lease shall be in writing and delivered personally, by certified mail, or by recognized courier service to the addresses listed above (or any updated address provided in writing).

16. Signatures

IN WITNESS WHEREOF, the Parties have executed this Lease Agreement as of the date first written above.

LANDLORD:

TFI

By: Tom Spitz

Tom Spitz, Board President

Date: 10/25/25

TENANT:

Tellurian, Inc.

By: Kevin Florek

Kevin Florek, President and CEO

Date: 10/25/25

EXHIBIT A – RENT SCHEDULE

Lease Year	Monthly Rent (\$)	Annual Rent (\$)
1	15,000.00	180,000.00
2	15,450.00	185,400.00
3	15,913.50	190,962.00
4	16,390.91	196,690.95
5	16,882.64	202,591.65
6	17,389.12	208,669.39
7	17,910.80	214,929.49
8	18,448.12	221,377.43
9	19,001.56	228,018.68
10	19,571.61	234,858.77