



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: Eastmorland Community Center (Common Grace, LLC)

Contact Name: Brenda Halverson

Phone: 608-609-2374

Contact Email: blhennessy@tds.net

SAM/ Unique Entity Identifier #__ applied for on 12/31/24, will provide when the number is issued.

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: 3565 Tulane Ave. Zip Code: 53714 Amount requested: \$400,000

Please describe, in detail, the proposed project:

Common Grace, LLC proposes a new development on the small city-block property located at 3565 Tulane Avenue in Madison, WI which currently houses Common Grace Church and the newly established, but quickly growing, Eastmorland Community Center. This new development would be home to a thriving community center that acts as a cornerstone for the vibrant Eastmorland neighborhood, serving as a destination place for events, fellowship, and learning in support of meaningful community life. The community center is and will continue to be secular in nature and is open to all to fulfill the community needs. It will operate independently from Common Grace.

The lot size of this new development affords Common Grace LLC with the opportunity to build an estimated 24 units of workforce housing in addition to the community center, creating much needed housing for individuals and families.

How will this project affect your organization?

The creation of a new ECC building will allow us to grow our current efforts to bring our neighbors together in a healthy community and offer space to a variety of other non-profits. The current building has limited and ill-suited space for the community's needs today, and the building has reached the end of its useful life.

The current building was built in 1954 and has outlived the community's needs. Remodeling to fit current needs, let alone future wants, and/or current building standards is cost prohibitive. For example - the current building is not ADA accessible, and roughly half of the building space is below grade. The best solution is to start over and build for the future. Rebuilding and rebranding as a community center is the best use of space. It will allow the property to be more accessible, and effectively used, to meet community needs across all ages. Adding workforce housing to the re-imagined space will also help address housing needs in Madison.

How will this project impact the community you serve?

The community center portion will bring needed and desired flexible space to the community. During an October 2023 ECC open house, which nearly 60 people attended, many community members voiced their vision for a new community center. Community members noted their need for space to teach, and to hold social gatherings and events at affordable rates. While the current building has space to fulfill some of these needs it largely serves the schools adjacent to the property. It is our vision to support the community and offer space to those that have programming but lack the physical space to fulfill their missions.

The housing portion of the new development will bring much needed below market rental units into a neighborhood where the median sale price for a single-family home was \$342,000 in January 2024*. These workforce housing rents will ease the housing debt burden on those that wish to live in a desirable location. The rebuilding/re-imagination of the lot to include housing fits with [Dane County's 2024-2028 housing goals](#) of increasing attainable housing. Note that the majority of housing projects are private/self funded - thus the expectation of our project is to tackle the "middle gap" of housing without major government subsidies - perhaps a rare feat these days.

Across the street from the project are the Schenk Elementary and Whitehorse Middle Schools - of which roughly 59% come from economically disadvantaged families and minority school enrollment is about 66%. This demographic will be a major focus of the community center efforts through meals or

other community activities. Additional examples of how the community center supports children in the neighborhood includes programs like Kindling Community Arts, and MMSD Play & Learn, all of which conduct their programming within the community center's walls.

*Realtor.com

How will this project impact your operations?

The new community center building, while similar in size to the current building, will be a more effective use of space and will allow more community partners to share in the service of our neighbors. Currently, the building lacks flexibility to move from one user to another efficiently and the walls and halls design does not support our effort to build community among the users.

ECC will need to hire appropriate staff to manage the day-to-day operations of the community center, while continuing to make connections in the community to drive rental revenue through space usage. Staff will work to create and maintain rental agreements, rate sheets for the various spaces and operationalize standards.

The housing portion of the project will not create a drain on the community center's financial resources. Per the proforma prepared by Threshold Sacred Development (Tyler Krupp, principal), the housing rents will cover the debt service on the entire project along with all associated fees and expenses (property management, real estate taxes, current and deferred maintenance, etc.). The lender is providing very favorable terms: a sub-prime interest rate, 33 year term with the first three years being interest only payments.

Project Timeline

Description	Projected Dates (Mo/Yr)
Acquisition/Real Estate Closing	1954
Rehab/Construction Bid Publishing	July 2025. Pre-construction preliminary budget/estimate by March 2025. Pro-forma estimate, based on comparable recent construction, available now.

Construction/Rehab Start	Late Summer 2025
Construction/Rehab Completion	Fall 2026
Services or Programming Start Date	Fall 2026

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.

NOTE: The numbers below are for the community center only.

SOURCES OF FUNDS	Amount	Source: Lender, Grantor, etc.
Permanent Loan:	1,203,841	Wesleyan Impact Partners
Subordinate Loan:	0	
Subordinate Loan:	0	
City Financing Requested:	400,000	
Project Equity (own funds):	830,000	Sale proceeds from Zion property (\$450,000), Moravian Denomination grant (\$250,000) and land equity (\$130,000). Capital Campaign kicks off in Feb. 2025.
Other:		
TOTAL SOURCES:	2,433,841	
Construction Financing		
Construction Loan:	1,203,841	Wesleyan Impact Partners
Bridge Loan:		

Other:		
TOTAL:	1,203,841	

USES OF FUNDS	Amount	Source
Purchase Building:	n/a	
Build-out (if new purchase):	n/a	
Renovations/improvements (existing building):	n/a	
Equipment purchase:		
Other: Hard & Soft Cost for ECC Community Center	2,429,563	
TOTAL USES:	2,429,563	

EXHIBITS PROVIDED AS ATTACHMENTS TO SUBMISSION EMAIL

1. Exhibit A - Summit Credit Union November 2024 statement
2. Exhibit B - Moravian Denomination grant commitment email dated 11/19/2024
3. Exhibit C - Wesleyan Impact Partners Term Sheet for construction and permanent financing
4. Exhibit D - Signed Federated Agreement Amendment and Minutes from December 19, 2024 congregational meeting
5. Exhibit E - Construction Estimate
6. Exhibit F - Operating Plan
7. Exhibit G - Draft of Quit Claim Deed

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.

CFLP Application Form Final Nov 2022.docx 3

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: 1/9/2025

Applications must be submitted to the Community Development Division by email: cdd@cityofmadison.com

CFLP Application Form Final Nov 2022.docx 4

Exhibit A- removed due to confidential banking information.



THE PROVINCIAL ELDERS' CONFERENCE
(EXECUTIVE BOARD)

1021 Center Street, Bethlehem, PA 18018
Telephones: 610-867-7566 - Moravian Church Center
610-865-3137 - P.E.C. President
610-866-9223 - Fax

THE MORAVIAN CHURCH • Northern Province

March 5, 2025

Common Grace – Lakeview
Rev. Staci Marrese-Wheeler
3565 Tulane Ave
Madison, WI 53714

Greetings Sister Staci and the Common Grace Leadership:

Grace and peace as we begin the Lenten journey toward the dawn of Easter morn. I am pleased to extend to you not only the prayers and best wishes of the Provincial Elders' Conference (PEC), but also a check for a \$250,000.00 grant toward the development of this new ministry. The PEC was appreciative of the financial model and projections you provided toward the sustainability of this community-based ministry. Although the original idea of these funds was first considered as a loan, the PEC felt that a grant would offer you a better start-up to this ministry without being burdened with repayment responsibilities. As well, we would like to express our desire to tangibly offer you this blessing and encouragement as you launch this new ministry of hospitality and service.

As a reminder, the PEC will continue to meet its original pledge for funds of \$9,400 in 2026. Although that 2026 support, along with this grant, will then bring to a close the provincial funding toward this endeavor, be assured that our prayers and presence as you begin this new ministry journey will continue. It's somehow appropriate that this letter comes in the context of the Lenten journey. Certainly, there are and will be unknowns in the path ahead, however, there is one certainty – the faithfulness of our Chief Elder, Jesus Christ, who will be a companion along the road ahead.

Please contact us if you have any questions and please keep us posted as you move forward. We would like to provide updates to the wider church as you make advances toward this long-awaited vision for ministry.

Your brother in Christ,

Rev. David E. Bennett
President

DEB/jlh

Term Sheet from Wesleyan Impact Partners

Wesleyan Impact Partners (the “Lender”) is pleased to present the following Term Sheet. The proposed terms and conditions in this Term Sheet are provided for discussion purposes only. They do not represent a commitment to lend and are confidential. The actual terms and conditions upon which Lender might extend credit to Borrower are subject to satisfactory completion of due diligence, internal credit approval, satisfactory review and execution of documentation, and such other terms and conditions as may be determined by the Lender and its counsel in their discretion.

General Terms and Conditions:

Borrower: SPE related to “Common Grace (re)Development”

Lender: Wesleyan Impact Partners

Loan Amount: The lesser of: a) \$5,915,684 b) 80% of the Project Budget, or c) 80% of the “As Complete” Appraised Value

Purpose of Loan: To provide funds for the acquisition of the Collateral Property and construction of the Borrower’s new community center, church, and affording housing facilities on the subject property.

Borrower’s Equity Contribution: The total estimated Project Budget is \$7,394,606. The Borrower will be required to contribute \$1,478,921 toward the Project Budget prior to any loan advances.

Loan Fee: The Loan Origination Fee of 0.25% (\$14,789). \$500 administrative fee.

Loan Term: The loan will mature 33 years from the date of the note and will be due and payable at that time.

Loan Rate:

- Option 1
The loan will bear interest prior to maturity or default at a variable rate which shall be equal to the “Prime Rate” **less one and a half percent (-1.50%) (currently 6.25%)** as stated by The Wall Street Journal (the “Interest rate”), to be adjusted monthly, with the “Prime Rate” in effect as of the last business day of a calendar month. With a lifetime minimum loan rate of four and a half percent (4.50%) and maximum of eight percent (8.00%). The payment will adjust annually.

If you choose option “1” initial here: _____; OR

- Option 2
The loan will bear interest prior to maturity or default at a rate which shall be equal to the "Prime Rate," **less two and three quarters percent (-2.75%) (currently 5.00%)** as stated by The Wall Street Journal (the "Interest rate"), fixed for a five (5) year period from the date of the note and to be adjusted every five (5) years thereafter until maturity. Starting at the end of year 10, and with each 5 year pricing reset thereafter, a rate ceiling and floor will be used and will adjust to 1% below and 1% above Wall Street Journal Prime respectively. Resetting each 5 years.

Refinance Fee: Waived

If you choose option “2” initial here: _____.

Loan Repayment:

- The payments for this loan will be due and payable on the 1st day of each month.
- Monthly payments of interest only for the initial 3 years based on the interest rate in effect on the date of the note.
- Beginning month 37, monthly payments of principal and interest based on a 30-year amortization and the interest rate at that time
- During the term of the loan, the monthly loan payment will be adjusted to correspond with the interest rate adjustment, depending on which rate option the Borrower chooses.

Collateral Property:

The Loan will be secured by a title-insured first lien deed of trust on the following real property (the “Collateral Property”):

Subject property at Hargrove St. and Tulane Ave in Madison, WI.

Project:

Acquisition of land and construction of “Common Grace” which is a 6,100 SF Community Center, and 24 units Multi-Family Affordable Housing Project.

The Loan shall also be secured by a first lien on all drawings, surveys, a general assignment of all present and future leases, rents and income, a security interest in all personal property and fixtures relating to such property, including all building materials purchased or ordered for incorporation into the improvements to be constituted therein, and assignments of the plans and specifications, all building contracts, permits licenses and governmental approvals relating to the land. All such other documents creating and perfecting security interest in the Collateral as reasonably required by Lender or their counsel.

Guaranty:

N/A

Covenants:

The Loan shall be governed by a loan agreement that includes, but is not limited to, the following reporting and financial covenants:

- The Borrower will be required to complete their capital campaign,
- Resolution from Church Counsel acknowledging that the follow-up debt reduction campaign will be held if benchmarks are not met for total outstanding debt and debt service included in the Borrower’s operating budget
- The Borrower shall provide financial statements (balance sheet and P&L) within 60 days of each fiscal year end,
- No material change in control or management without prior Lender consent.
- Maintain acceptable levels of property, general liability, workers compensation, and hazard insurance.
- Satisfactory Appraisal and Environmental Due Diligence (if needed)

Restrictions and Limitations:

This financing will be subject to customary restrictions and limitations typical of this type of financing, including but not limited to the following:

- All draw requests will be subject to documentation required by Lender, including written draw requests, application and certification for payment (AIA form), construction completion certification, lien waivers relating to prior advances, city inspection reports, budget variance reports, and certificates of completion. Draws to be accompanied by an inspecting architect's or engineer's report.

Closing Requirement: The closing of this loan is subject to the Lender's "Closing Requirements" listed on the attached checklist, Exhibit "B".

All closing documents must be satisfactory to the Lender. If you would like to see a sample set of closing documents, please let us know.

Operating Accounts: Borrower agrees to reserve accounts with Lender throughout the term of the Loan.

Expenses: Borrower shall pay all costs and expenses incurred by Lender in connection with the closing and underwriting of the Loan, including without limitation, Lender's plan and cost review, due diligence and closing of the Loan, the fees and expenses of counsel to Lender in connection with the negotiation and preparation of the loan documentation, the costs of any environmental investigation and audit, appraisal, appraisal review, title insurance premiums, survey and inspection fees and any other reasonable fees.

Wesleyan Impact Partners looks forward to working with you to close the financing outlined herein. If you are in agreement with the foregoing terms and conditions, please execute this Term Sheet and return it to us with a \$0 deposit.

This Term Sheet will expire 30 days from issuance if not accepted by Borrower prior to that date.

This Term Sheet will expire in 90 days from issuance if the loan has not closed prior to that date.

Wesleyan Impact Partners

Chris Miller

Chris Miller
Vice President of Lending

Accepted and Agreed to this _____ day of _____, 2024

Borrower:

By: _____

By: _____

By: _____

This Term Sheet is presented for discussion purposes only and does not represent a commitment to advance funds.

EXHIBIT "A"
PROPERTY DESCRIPTION

A legal description of the Collateral Property and address to be inserted here

**Loan Closing Checklist
Exhibit "B"**

THE CHURCH MUST PROVIDE THE WESLEYAN IMPACT PARTNERS WITH THE FOLLOWING:

PRIOR TO SIGNING LOAN DOCUMENTS AND LOAN CLOSING:

RECEIVED

- _____ Return Signed Term Sheet
- _____ Signed Copy of Charge/Church Conference Minutes and/or Borrowing Resolution
approving this loan and lien on the property (see attached example)
- _____ Copy of Articles of Incorporation
- _____ Proof of Property Insurance Designating the Foundation as Mortgagee
Texas Methodist Foundation
(its successors and/or assigns)
11709 Boulder Lane, Suite 100
Austin, Texas 78726-1808
- _____ Current/Existing Survey
- _____ Flood Determination (Foundation will order)
- _____ Title Search (Foundation will order)
- _____ Other _____

_____ **Persons to be available to sign loan documents (the Foundation needs these names to prepare loan documents)**

_____	_____	Pastor	_____
_____	_____	District Superintendent	_____
_____	_____	Chair of Board of Trustees	_____
_____	_____	Secretary of Board of Trustees	_____
_____	_____	Sec. of Charge/Church Conf.	_____

LOAN CLOSING:

- _____ (1) Signing of Loan Documents by the Above Mentioned Persons
- _____ (2) A Notary Must be Available to Notarize Signatures of Persons Signing documents
- _____ (3) Church Will Pay Closing Costs at the Time of Closing Which May Include:
 - _____ (A) Mortgagee Title Search
 - _____ (B) Recording Fees
 - _____ (C) Legal Fees
 - _____ (D) Miscellaneous (i.e. Overnight delivery/courier charges, any outstanding interest, wire fee, etc.)

Common Grace Annual Meeting--December 15, 2024

Immediately after the Sunday worship service, members of Common Grace met for the annual meeting. With at least 24 members in attendance, the required quorum of 20 members was present. Pastor Staci called the meeting called to order and offered a prayer.

A motion to approve the published agenda was made by Linda Shaw and seconded by Rod McCoy and approved unanimously. A motion to approve the minutes from the annual meeting was made by Maria Hanson and seconded by Jeff Pfund. A minor correction was identified (adding the word approval after the word budget in the second line from the bottom on page 1), and a motion to approve the minutes with this correction was made by Linda Shaw and seconded by Eric Halverson and approved unanimously.

Common Grace needs two lay persons to attend the ELCA Synod scheduled for May 17 and 18, with Pastor Staci also planning on attending. Jeff and Christine Pfund agreed to attend and were approved by acclamation.

Pastor Staci presented a verbal pastor's report, talking about 2024 being a year of difficult challenges, with Pastor Pat leaving and our grief over his departure, and the loss of his energy and talents. But the development project has moved forward and is in a much more promising position than at the beginning of the year.

With Dave Loppnow leaving the Board at the end of 2024 after serving two three-year terms, Sandy Fowler has agreed to be nominated for consideration of serving a full three-year term from January 1, 2025 to December 31, 2027. A motion to approve Sandy as a Board member was made by Lori Olson Putz and seconded by Brenda Halverson and approved unanimously.

Dave Loppnow briefly highlighted the proposed 2025 budget. During consideration of the budget, Pastor Staci recused herself for the compensation portion of the discussion. Compared to 2024, the budget would provide a 3.5% pay increase to staff, would budget \$10,000 for building support staff, delete funding that in 2024 was related to Pastor Pat, and modify funding for office supplies, copying, and internet to reflect actual payments. In addition, in line 40 for repairs and maintenance, \$5,000 is added to reflect the estimated cost of a new furnace for the east wing of the building. With Staci returned to the meeting, a number of budget questions were addressed. It was suggested that line 6 be retitled accompanist rather than organist. With regard to building support staff, Staci indicated that five to ten hours a week may be used for website support and building related activities. Relating to eliminating insurance for Zion stored items budgeted in line 37 in 2024, concerns were raised whether this is a prudent decision. A discussion ensued, with the question being posed to historic Zion members about the need for insurance for the stored items. With the new facility needing to be reset each week for Sunday worship, portability and ease of storage are major considerations, and it is costly to insure items that may not be useful in the new space. After some discussion, a

consensus emerged that the items will remain in storage for possible use in the new facility, but that insurance coverage for them will not be continued. A motion was made to approve the budget for 2025 by Kurt Buehner and seconded by Lori Olson Putz and approved unanimously.

To specifically address funding for the furnace replacement, a motion was made by Larry Roth and seconded by Linda Shaw to approve reimbursing the Eastmorland Community Center \$4,600 for the actual cost of replacing the furnace and approved unanimously.

Brenda Halverson and Jeff Pfund presented a status report on the development project. To facilitate applying for a potential \$400,000 grant from the City, Lakeview is in the process of incorporating as a nonstock, nonprofit entity under Wisconsin law, rather than relying on the nonprofit status of the broader Moravian Church incorporated in Pennsylvania. To establish an entity to own the property, a nonprofit limited liability company (LLC) will be formed, where historic Zion and historic Lakeview will be members of the LLC. To establish majority control of the LLC, the current federation agreement that specifies an eventual 50/50 ownership interest in the assets of Common Grace between historic Lakeview and historic Zion would be modified to specify 51% historic Lakeview and 49% historic Zion. A motion to so modify the federation agreement to specify a 51/49 ownership interest for historic Lakeview/historic Zion was made by Kurt Buehner and seconded by Lois Roth and approved unanimously.

Brenda, Jeff, and Staci outlined the some of the tasks needing completion in the near future, including: (a) finalize the design for the center and housing components; (b) plan for transition space and storage during construction; and (c) close on construction financing and project bids with a potential August 2025 start to construction. With regard to fund raising, Common Grace has contracted with the United Church of Christ Church Building and Loan Fund to assist us in our campaign. As part of the campaign, an interview process with 20 people from the Church and the neighborhood will start on January 27. The campaign itself will kick off in mid- to late February and conclude in late May or early June. To facilitate the campaign, there are 10 task group chairs needed to assist in various aspects of the campaign. Cheri Timpel indicated she would serve as chair of the administrative support area. Additional help from Common Grace and the neighborhood are needed. Staci noted that the legal services have been provided pro bono, which has been a very generous measure of support for the project.

To confirm the intent to continue to move forward, a motion was made by Eric Halverson and seconded by Kurt Buehner to reaffirm the Board's authority to approve property development related expenses, and approved unanimously.

A motion to adjourn was made by Eric Halverson and seconded by Maria Hanson and approved unanimously.

Recorded by Dave Loppnow



**FIRST AMENDMENT TO PLAN OF
AGREEMENT
FOR A FEDERATED CONGREGATION**

THIS FIRST AMENDMENT to the Plan of Agreement between Zion Evangelical Lutheran Church and Lakeview Moravian Community Church is dated December 15, 2024.

WHEREAS, Zion Evangelical Lutheran Church and Lakeview Moravian Community Church entered into a Plan of Agreement for a Federated Congregation dated December 5, 2021, and

WHEREAS, in order to facilitate the application and approval for City of Madison funds for the redevelopment of 3565 Tulane Ave and;

WHEREAS, the Congregations of both Zion Evangelical Lutheran Church and Lakeview Moravian Community Church agreed to said changes by matter of vote and quorum on December 15, 2024.

THEREFORE, the parties desire to amend the Plan of Agreement with respect to the matters set forth below:

Section b. of the Plan of Agreement shall now read:

Subject to approval by the respective denominational judicatories of Zion and Lakeview, Common Grace shall form a limited liability company for governance, administration and operation of the Federated Congregation, although each congregation participating in this federated congregation shall continue to exist and may be separately incorporated.

Section c. of the Plan of Agreement shall now read:

All property of Common Grace, real and personal, shall be held in the limited liability company formed in subparagraph b. above. All liabilities of the congregations in this federated congregation shall be liabilities of this federated congregation, except as explicitly provided in documents of the separate congregations.

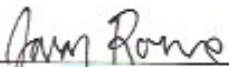
Calendar Year	New Allocation Lakeview	New Allocation Zion
2022	70%	30%
2023	65%	35%
2024	60%	40%
2025	55%	45%
2026	51%	49%

This Amendment shall be governed by and construed in accordance with the terms and conditions of the Agreement. All other terms not amended herein remain in full force and effect.

IN WITNESS WHEREOF, the undersigned have executed and delivered this First Amendment as of date first above written.

By: 

David Olson
Common Grace Board President
Representative of Historical Lakeview
Moravian Church

By: 

Jason Rowe
Common Grace Board Vice President
Representative of Zion Evangelical
Lutheran Church



ECC / Common Grace

Preliminary Budget

Executive Summary

The following conceptual budget estimates have been prepared for the Eastmorland Community Center construction and the associated workforce housing.

Each building was estimated as a separate construction project, if a single entity can mobilize and execute all projects there should be cost savings for the work.

Housing – 24 Units Building

Conceptual budget estimate for the housing portion of the project.

Substructure	\$377,100 - \$438,500
Shell	\$1,386,282 - \$1,611,956
Interiors	\$760,746 - \$884,588
Services	\$760,240 - \$884,000
Sitework + Demolition	\$70,520 - \$82,000
General	\$371,823 - \$432,352
Total Estimate	\$3,726,711 - \$4,333,396

Eastmorland Community Center Building

Conceptual budget estimate for the community center portion of the project.

Substructure	\$82,723 - \$96,190
Shell	\$531,781 - \$618,350
Interiors	\$193,070 - \$224,500
Services	\$628,660 - \$731,000
Sitework + Demolition	\$92,020 - \$107,000
General	\$218,490 - \$254,058
Total Estimate	\$1,746,744 - \$2,031,098



Conclusion

With a lot of unknowns and plenty of opportunity to refine the investment for the buildings proposed, we feel confident that the proposed program is constructable within the conceived budget. The best opportunity we feel for cost savings will be doing construction concurrently with all three buildings to take advantage of the economies of scale of a larger project.

QUIT CLAIM DEED

Document Number

The Board of Trustees of Lakeview Moravian Community Church (“Grantor”), hereby quit claim to **Common Grace, LLC, a Wisconsin limited liability company** (“Grantee”), the following described real estate, together with the rents, profits, fixtures and other appurtenant interests, in Dane County, State of Wisconsin:

Lots 1, 2, 3, 4, 5, 6 and 7, Block 2, Lake View Place, City of Madison.

Recording Area

Name and Return Address

071009205016

Parcel Identification Number (PIN)

This is not homestead property.
(is) (is not)

However, if the above-described property ceases to be used by an organization affiliated with the Moravian Church, or an organization majority owned by an organization affiliated with the Moravian Church, title to the above-described property shall immediately transfer to the Western District of the Moravian Church in America without further action by the Western District of the Moravian Church in America. The covenants and conditions herein run with the land and are binding on Grantee’s heirs, successors and assigns.

[Signature on next page following]

Dated this ____ day of _____, 2024.

**The Board of Trustees of Lakeview Moravian
Community Church**

By: _____

Its: _____

ACKNOWLEDGMENT

STATE OF WISCONSIN)
) ss.
_____ COUNTY)

Personally came before me this ____ day of _____,
2024, the above-named

to me known to be the persons who executed the
foregoing instrument and acknowledged the same.

(print name)

Notary Public, _____ County, State of Wisconsin

My Commission is permanent/expires on _____

This document was drafted by:

Jack Reed
Fredrikson & Byron, P.A.
44 E Mifflin Street #1000
Madison, WI 53703



Eastmorland Community Center
Operating Plan
January 2025

Prepared for the City of Madison
Community Facilities Loan Program

EXECUTIVE SUMMARY

The Eastmorland Community Center (ECC) is a developing, 501(c)(3) public charity that was established in 2021 by Common Grace, a church that has been in the Eastmorland neighborhood since 1954. ECC was established when requests by community groups needing affordable space for life-enriching activities kept arising and realization that the building was underutilized by the congregation.

In 2018, there were an average of 225 weekly participants of non-church-related community groups using the building, and only 50-60 people attending Sunday worship and other weekly church activities. In 2020, the congregation voted to create a secular, non-profit, and repurpose the building for better community use under a non-religious organization. The building was rebranded in 2023 as the Eastmorland Community Center to identify the shift in primary purpose of the building and encourage more community accessibility.

The goal for the community center non-profit is to become stable and financially independent to the point of owning the building and remaining on the property long-term to serve the neighborhood.

GROWING WITH THE NEIGHBORHOOD

Our plan is to demolish the current building to make space for a newly constructed 6,800 sq. ft. building on our property, which is anticipated to break ground in Fall 2025. The Common Grace congregation will become another user of the new building and the Eastmorland Community Center will be more differentiated as its own non-profit through planning and implementing programs for the community. Common Grace, LLC is providing use of the building free of charge to ECC. Upon completion, the community center will also take over many of the expenses (utilities, internet, etc.) which the congregation now pays.

The rough estimate for the construction of the new community center building, alone, is \$2.4 million. Furnishings for the multi-use performance / worship / music space, kitchen, food pantry, and offices will be funded by a capital campaign that will begin in February 2025.

OUR PURPOSE IS CLEAR

Safe community space to build relationships with neighbors is vitally important to the social fabric and well-being of all. Public libraries and community centers are some of

the only places where social connections can be made without having to pay fees or purchase anything. According to the U.S. Surgeon General, loneliness is at [epidemic](#) proportions in our country. Per the Surgeon General's report, social isolation increases the risk of premature death by 29 percent. This is equivalent to the impact of smoking 15 cigarettes per day. Loneliness increases the risk of heart disease, stroke and dementia, as well as other serious medical conditions. It's also associated with lower academic performance and decreased productivity at work. And when it comes to older adults, social isolation accounts for an extra \$6.7 billion in Medicare spending each year.

Older adults frequently struggle to remain independent in their homes because family support is not nearby. Engaged and caring neighbors are often a key to this population remaining independent yet not being isolated in their homes. Similarly, young families often need to connect with neighbors in ways that introduces them to resources for parenting, childcare and preschool programs due to the same separation from family support.

When it became clear that redevelopment of the triangle was needed, Common Grace approached the Eastmorland Community Association and the former Alder in 2021 to discuss how we could best serve the neighborhood. Housing was the first need identified.

There are very few rentals in our neighborhood that offer affordability for workforce neighbors (i.e. those earning 80% level of Average Median Income). Local magazine, "In Business", reports that Madison is ranked [31st for highest rents](#) in the most populous cities in the US, based on the annual Zumper National Rent Report. This "missing middle" housing would allow beginning teachers to afford to live in the neighborhood where they work or service sector staff to live in a neighborhood two blocks from Atwood Ave. bus stops and walking distance to Woodman's East grocery store.

The workforce rental housing will meet a community need; however it will not create a financial drain on Common Grace LLC as the housing rents will cover the debt service on the entire project along with all associated fees and expenses (property management, real estate taxes, current and deferred maintenance, etc.

The combination of these issues – a loneliness epidemic and a housing crisis – along with a situation of an underutilized church property across the street from two schools presented a unique opportunity for reimagination and the potential for greater good in the community.

Dr. Daniel Knoepfmacher, Director of Clinical Psychiatry Residents at Weill Cornell Medical College, New York, [affirms](#) the Surgeon General's report saying, "Technology is

endlessly exciting, but our society will become healthier overall if we can find ways for people to engage more often in the communal human experiences that existed long before the first computer chip was invented."

This is exactly the sort of space that the Eastmorland Community Center is working to create. We all need connection.

OUR COMMUNITY CENTER MODEL

Current programs

Our aim is *not* to create a community center where we staff and run the programs, but to provide space supported by a small staff, where we help neighbors fulfill their programs and create common interest groups that are generative and foster relationships. The community center model that we are implementing invites our neighbors to engage in activities that they lend their gifts and skills to, in order to encourage community connections and relationships.

This model also helps to sustain community relationships that are already established. The community center will support the ongoing relationships that have been built over the years with the local schools – Schenk Elementary and Whitehorse Middle Schools – that are located across the street from the ECC property. Weekly Food Bags for 25% of the Schenk students and a monthly mobile food pantry for Whitehorse and Schenk students are currently coordinated by the community center. Plans to include a food pantry in the new building, geared toward the needs of the schools' families, are already underway.

Other ECC-specific events used to create a sense of community include Tunes on the Triangle, a fundraiser for the school food programs; Guns to Garden Tools; the free Thanksgiving Neighborhood meal; and the Holiday Market/Santa Visit. These have become yearly traditions in the community and provide additional opportunities to get to know our neighbors.

Current building partners are committing to space in the new building for their programs and include:

- Kindling Community Arts
- Ethical Trading Co.
- MMSD Play & Learn
- Scouting
- Band rehearsal space
- Theater groups
- Girls on the Run
- Meditation groups
- 4-H
- Community knitting group

- Diane Falk Piano studio
- Woodwind quintet
- Al-Anon
- Third Space – drop-in community connection space
- Personal Essential Pantry administrative use
- Other groups for individual events
- Neighborhood Meditation Groups (2)

Future programs

After touring and interviewing community centers around Dane County along with redeveloped spaces in Oregon and Texas – we frequently heard that more space is needed, space for needs that we won't even know of until the building is built. As in the past, the ECC will specialize in "space" and not programming. With this in mind, we expect to build multi-function space that can adjust to the size and purpose of other non-profits. For example – a certified community kitchen to help a fruit/jam business get off the ground, space for piano lessons, theater group performances, weddings and receptions, space for a high school debate club or perhaps after-school programming. A community open house in October 2023 helped to identify many needs that we can build off. Plus, we recognize and appreciate that we may not know exactly what future community groups' need for space may be – so it is important to be flexible.

In addition, the ECC expects to be flexible in regard to rental rates for room usage by implementing a sliding scale based upon the economics of other non-profits or ability to pay.

Housing as a mission

Over the last three years, we have talked specifically with our local schools and organizations like Open Door for Refugees and Jewish Social Services to understand who in our community struggles the most to find housing. Our local schools, Schenk Elementary and Whitehorse Middle, have significant portions of their students who have immigrated to the U.S. We have learned that larger families, and very often families who are entering our community with refugee status, have a difficult time finding affordable rental housing with enough bedrooms.

Our rental housing plans include multiple 3-bedroom and 2-bedroom apartments, which are not typical for the overall project size we are planning. Our hope is that with schools across the street, public transportation lines within a block of our property, grocery stores within walking distance and a bike-friendly neighborhood, our rental units will be a home for families that need affordability. We also hope that older adults, still living in their small homes in their neighborhood, might find our affordable housing desirable without having to leave their neighborhood, and can continue to live independently with support services nearby.

Being a community without a center

Because ECC is in the business of offering “space”, we have been talking with our partners about impacts and transition plans. Leases for current tenants will expire in the summer in anticipation of the new building construction starting around August 2025. Our partners are aware of the development plans and are actively working on finding temporary space – this may include private homes, secular and non-secular spaces such as library space or other non-profits. Both Common Grace and the ECC are committed to assisting our partners in finding temporary homes if requested.

ECC-specific programs will continue to happen by relying on our secular and non-secular neighbors and it is our goal to temporarily relocate these programs close to the current site of the community center. We will also offer alternative programming such as guided nature walks or community volunteer events to stay relevant and visible within the neighborhood.

Programming summary

The home page of the ECC website sums up many of these thoughts when it says “The Eastmorland Community Center was founded on a vision of bringing people together for life-giving work. Our mission is to create space for the collaborative life of the neighborhood. We value the arts, education, and social justice work for what it brings to the lives of the residents of Eastmorland and our school community. We strive to support groups and programs engaged in valuable life-affirming work and to be a gathering place for people to come together in community. We value bringing people into the life of the building as a whole so that we build community as we create a hub for the amazing things happening in the Eastmorland Neighborhood.” (source: <https://www.eastmorlandcommunitycenter.org/>).

We firmly believe the ECC goals and mission align with the CFL program summary of “...The Community Facilities Loan (CFL) Program provides low-cost financing to support non-residential development projects undertaken by non-profit organizations in the City of Madison who wish to acquire property or substantially expand, redevelop, improve or rehabilitate the property they currently own or lease. The City's objective is to create or improve safe, accessible, energy efficient and well-maintained community and neighborhood facilities. Community and neighborhood facilities provide a public benefit and serve as focal points in neighborhoods, helping to bring people together, build relationships and strengthen neighborhoods.”

FUNDING PLAN

Eastmorland Community Center Five-year Financial Projections

Projected Income and Expenses () indicates footnote					
Income	2026	2027	2028	2029	2030
Congregational contributions	\$58,000	\$58,000	\$58,000	\$67,000	\$67,000
Grants	\$100,000	\$100,000	\$110,000	\$110,000	\$120,000
Community Donations	\$125,000	\$125,000	\$130,000	\$130,000	\$135,000
Room Rentals (1)					
Medium conference room	\$3,600	\$10,800	\$14,400	\$18,000	\$18,000
Small conference room	\$2,880	\$8,640	\$11,520	\$14,400	\$14,400
Co-Working Space (2)					
Office / New Renters	\$6,000	\$9,600	\$10,800	\$10,800	\$11,400
Kitchen Rental (3)					
Food Trucks / Bakery	\$0	\$0	\$5,100	\$15,300	\$25,500
Caterers	\$0	\$0	\$1,600	\$2,000	\$2,400
Event Revenue					
Wedding rental (4)	\$4,000	\$8,000	\$16,000	\$20,000	\$24,000
Performance Venue Rental (5)	\$0	\$3,000	\$5,000	\$7,000	\$9,000
Meal & Meeting Space	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Rent / Ethical Trade	\$6,000	\$11,400	\$11,400	\$11,400	\$11,400
Total Income	\$307,980	\$336,940	\$376,320	\$408,400	\$440,600
Expenses	2026	2027	2028	2029	2030
Staff					
Exec. Co-Directors (1)	\$47,500	\$49,000	\$50,500	\$52,000	\$53,500
Administrative Assistant (2)	\$20,000	\$22,500	\$25,000	\$27,500	\$30,000
Custodial & Maintenance (3)	\$30,000	\$35,000	\$35,000	\$75,000	\$80,000
Music staff	\$13,000	\$13,700	\$14,500	\$15,300	\$16,000
Staff benefits	\$60,000	\$60,000	\$60,000	\$80,000	\$80,000
Fees & Services					
Insurances	\$9,000	\$9,500	\$10,000	\$11,000	\$12,000
Deferred maintenance	\$17,000	\$17,000	\$17,000	\$17,000	\$17,000
Legal & Construction (Filing Fees only)	\$500				
Accounting	\$1,000	\$2,000	\$3,000	\$5,000	\$7,000
Web Maintenance	\$2,500	\$3,000	\$3,000	\$3,500	\$3,500
Zoom	\$320	\$480	\$480	\$480	\$480
Mail Chimp	\$180	\$250	\$250	\$300	\$300
Program Expenses	\$40,000	\$50,000	\$65,000	\$70,000	\$75,000

Storage	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Utilities, building and office supplies, maintenance, etc.	\$20,000	\$20,000	\$22,000	\$24,000	\$26,000
Total Expenses	\$266,000	\$287,430	\$310,730	\$386,080	\$405,780
Net Income	\$41,980	\$49,510	\$65,590	\$22,320	\$34,820

Community Center Rental Income Assumptions

(1) Goodman Center's hourly rate to private entities is on average \$18.50/hour or \$148 for 8 hours. ECC rates: medium conference room: \$150 for 8 hours; small conference room rate of \$120 for 8 hours. Number of times rooms are rented per month in years 1 - 5, for full days: 2, 6, 8, 10, 10

(2) Office rental based on local search of small office rentals; market rate \$500 per month. Estimating \$350/month. Year 1 with ETC only.

(3) Assuming buildout of a commercial kitchen happens in 2028. At the time of construction all necessary electrical, HVAC, etc. will be installed. Feed Kitchen charges \$30/hour. ECC rate: \$25/hour. The yearly income for food trucks and bakery rentals is based on the assumptions of approximately 170 rental hours per month and a rental rate of 10% in 2028, 30% in 2029 and 50% in 2030. Caterer rental income is based on a flat fee per event of \$200 with 8 events in 2028; 10 events in 2029 and 12 events in 2030.

(4) Goodman Center's current rate for a wedding venue of up to 140 people is \$3200 and includes a smaller space for storage and bridal party prep. ECC rate \$2000. Number of events in years 1 - 5: 2, 4, 8, 10, 12.

(5) Performance venue rental fees are based off the Wisconsin Union Play Circle Theater rates. \$400 performance, \$300 technical set up and rehearsals, \$150 load in. Number of performances in years 1 - 5: 0, 2, 4, 6, 8.

(6) Common Grace LLC, as the property owner, is providing ECC with programming space as an in-kind donation.

Staffing Assumptions

(1) 2 half-time staff for a 1 FTE equivalent; Pastor Staci's ECC salary is paid for by Common Grace and is not reflected in this amount

(2) 2026-2030 .5 FTE

(3) 2026-2028 .5 FTE; 2029-2030 1 FTE

Community Donations and Grant Funding

In 2024 we received grants from a variety of foundations, some of whom are repeat supporters. The following foundations have contributed a total of \$59,048, nearly 6x the amount of grants we received in 2023.

- Common Grace Ministry Endowment Fund
- County of Dane
- Enders Manufacturing Foundation
- Evjue Foundation
- Greener ECA
- Lake Edge Lutheran
- Lake Ridge Bank
- Madison Community Foundation
- MG&E
- Moravian Ministries Foundation
- Wagon Wheels
- Willy St Community Reinvestment Fund

Donations from individuals increased in 2024, largely due to our participation in GivingTuesday for the first time, with a total of 60 donors many of whom were first time givers. We learned a lot in our first year of participating in GivingTuesday and expect an even more successful campaign in 2025. We are also newly set up to accept Donor Advised Funds and have begun to receive contributions.

In-kind donations are valued at \$2,200 in the form of in-kind rent “credits” from Common Grace, laptops for our Third Space program from DaneNet, and food for our school nutrition program from Willy St Co-op. Encouraged by the success of GivingTuesday, we will be looking into participating in the Big Share in the spring.

A board of directors-led fundraising committee will be developing events to build ECC's brand awareness beyond the Eastmorland neighborhood by partnering with Culver's, Ian's and other corporate supporters.

It is our expectation that this upward trend will continue in 2025 for a number of reasons. Our .25 fund development coordinator, Marie Everett, will be expanding her role to .5 FTE in the newly created position of Co-executive Director of Fund Development and Communications. We have already set up a meeting with potential funder, Oscar Rennebohm Foundation for January 2025 and hope to also do so with TruStage who has supported the ECC in the past. Building on donor relationships is an initiative for our 2025 strategic planning.

STAFFING AND HOURS OF OPERATION

Since the inception of the community center, the executive director (ED) has been staffed part-time by Common Grace's pastor, Staci Marrese-Wheeler, and paid for as

an “in-kind” donation by Common Grace, to help the community center develop into an independent and sustainable non-profit through this building project.

In 2025, the ED will be a full-time position, staffed by two individuals - Staci and Marie Everett, who has been with the community center as fund development coordinator since 2023. This approach to the ED position allows the ECC to lean into each individual's respective areas of expertise. Staci as co-executive Director of Programming and Partnerships while Marie will be focused on Fund Development and Communications.

We are bringing together a more diverse skill set to create a scenario where the whole is greater than the sum of its parts. In addition, Staci is the sole pastor at Common Grace, a full time position in and of itself, and the continuity of her leadership is invaluable in both roles. Adding a co-director gives the ECC the time it needs, while allowing Staci to remain in her dual roles. This arrangement will continue into the foreseeable future.

The community center will also hire additional part-time staff nearing the completion of the building to carry out custodial/maintenance and administrative responsibilities. The custodial role will become full-time in 2029 once the community center has establish itself financially.

Proposed hours of operation are Monday - Friday, 8:00 am - 8:00 pm.

STAFF AND BOARD MEMBERS

Marie Everett is currently serving the Eastmorland Community Center as Co-executive Director of Fund Development and Communications. She has been a resident of the Eastmorland neighborhood since 1997. Her work in this neighborhood has included involvement at Schenk Elementary as a parent, employee, and committee chair for the Clay Stomp that created the mural near the main entrance. More recently she was a co-owner of El Jardín Infantil preschool from 2016-2024. She holds a B.F.A. from the University of Wisconsin - Madison.

Staci Marrese-Wheeler serves as Co-Executive Director for Programming & Partnerships at Eastmorland Community Centers, which she has done since 2021. Staci also serves as Pastor of the Common Grace congregation, which is a partner in the community center building. She has served in that capacity in the Eastmorland neighborhood since 2009. Staci has a professional history of non-profit work in ministry and community non-profits. She served as director of an Interfaith Volunteer Caregiver program from 1996 - 1999 and the Green County United Way from 2000-2003.

Jason Compton joined the ECC board in 2023 and currently serves as its secretary. Through his artistic efforts as Producer for Madison Shakespeare Company, he has been involved with ECC's predecessors since 2016. His areas of focus on the ECC board include arts incubation and investments.

James Ferrett is Co-Founder of the Ethical Trading Company, a non-profit, fair trade retail business with the purpose of helping to promote living wage job creation and helping to alleviate situations of human trafficking. Ethical Trading Co. is a partner organization that has operated in the Eastmorland Community Center for 3 years. James joined the ECC Board in 2023 and provides valuable perspective as part of a non-profit that is a 'tenant partner' in the building.

Rev. Breanna Illéné is the Director of Ecumenical Innovation and Justice Initiatives at the Wisconsin Council of Churches. She has lived in the Eastmorland neighborhood for 10 years and served on the Eastmorland Community Association for 6 years. Her family recently began attending Common Grace (the church that meets at the ECC) after they kept ending up in the building for neighborhood events. She loves spending time outdoors, building community, drinking coffee, reading, and spending time with her 2 kids, spouse, and pitbull.

Victoria Sutton works as a Senior Intellectual Property Manager with the Wisconsin Alumni Research Foundation, helping to protect innovations developed at the University of Wisconsin-Madison since 2006. Over the years, her passion for supporting education and the well-being of families has led her to volunteer with various non-profit organizations, including "Adult Role Models in Science" (17 years in various roles, including President of the Advisory Board for 6 years and Leader of the Volunteer Advisory Board for 2 years), the Schenk Elementary School PTO (President, 3 years), MMUSD's Advanced Learning (AL) Task Force, the Smithsonian National Museum of American History (volunteer docent, 1.5 years), the Parent Board for Judo Jujitsu Madison, and serving as a volunteer Handler for the 501st Legion (10 years).