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June 14, 2011

DEPARTM

Mr. Steven Mahan  
City of Milwaukee  
Department of Administration  
200 E. Wells St.  
Milwaukee, WI 53202

JOHN F. STIBAL  
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RE: Additional NSP1 funds request for the Highland Commons project located in West Allis

Dear Mr. Mahan:

The City of West Allis is requesting an amendment to Contract # NSP 09-17 to include \$100,000 of additional NSP1 funds. The funds would assist the former New Samaria project (now known as Highland Commons, 6640 & 6700 W. Beloit Rd., Census Tract 55079101600) in architectural/design expenses. WHEDA had filed for foreclosure on the property, which was then acquired by Highland Commons, LLC at Sheriff's Sale confirmation on March 21, 2011.

The \$100,000 in NSP funds would require an amendment to the funding categories as well, as it would fall under Category B2, "Acquisition/Rehab -- Rental." The existing, deteriorated and blighted housing building would be demolished by Highland Commons, LLC, and a new 50-unit independent living apartment building would be constructed at the same location. Highland Commons will house 50 very low-income ( $\leq$  30% CMI), mentally handicapped residents. The facility will also offer support services and professional staff, coordinated with Transitional Living Services (TLS), and will be managed by Cardinal Capital Management, Inc.

Highland Commons, LLC has identified a financial gap in the project's proforma. The \$100,000 in additional NSP funds would help alleviate a portion of the gap by assisting with architectural fees for the design of the demolition/new construction project.

The category of "design fees" fall under 24 CFR 58.34(a)(8) as an Exempt Activity.

Highland Commons, LLC has retained Barrientos Design & Consulting for design of the Highland Commons project. Barrientos Design & Consulting is a certified MBE.

If you have any questions, feel free to contact Patrick Schloss at 414-302-8468.

Sincerely,

John F. Stibal, Director  
Department of Development

cc: Mayor Dan Devine  
Patrick Schloss, Manager, Community Development Division  
Kristi Johnson, Community Development Supervisor