

Reclaiming the POWER of our Communities

November 1, 2002

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Dear Cal,

Given the highly distressed condition of the house at 503 Sykes Street, our staff believes that the best course of action is to complete the demolition of the house and reconstruct a similar house. In order to accomplish this goal, we need to refinance the project and would ask that you use the Chapel Hill Housing Loan Trust Fund to pay off the existing CDBG-funded second mortgage on the property:

We would also like to request that the Town assist us in accomplishing the CDBG national objective of "removing slums or blight" by providing funding for the demolition of the remainder of the house. Preliminary cost estimates for this demolition project range between \$5,000 and \$10,000 due to the large amount of heavy masonry that must be disposed of. The final budget numbers for the demolition are unknown at this time because we have not yet gone through the requisite competitive bidding procedure.

We sincerely appreciate the significant investment the Town is making in this project and in the Sykes Street area as a whole. The Town has already helped us shut down four bases of operation for drug activity, gambling, unlicensed liquor sales and prostitution along Sykes Street. The impact that this has already had is significant. Once we have completed the construction and renovation of these properties and we have four or five new homeowners on the block, the changes will be profound.

Once this demolition project is completed, EmPOWERment will begin a new project on this site. EmPOWERment will build a house in cooperation with Orange County and/or NC Housing Finance Agency that will be purchased by a low or moderate-income family through Orange Community Housing and Land Trust. In the end, a beautiful newly-built home at 503 Sykes will be a significant new investment in the Sykes Street area that will speak worlds about our community's commitment to its lowest income neighborhood.

Finally, let me say thank you for the Town's assistance with all of our work in the Sykes Street area, and particularly recognize Planning Department employees Chris Berndt and Loryn Barnes, as well as Police Officer Phil Smith for their commitment to this process.

Sincerely,

Mark Chilton

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