



Legislation Details (With Text)

**File #:** 02725      **Version:** 1      **Name:** Lake Point Condo Project  
**Type:** Resolution      **Status:** Passed  
**File created:** 1/10/2006      **In control:** BOARD OF ESTIMATES (ended 4/2017)  
**On agenda:** 2/7/2006      **Final action:** 2/7/2006  
**Enactment date:** 2/9/2006      **Enactment #:** RES-06-00090  
**Title:** Authorizing an increase in the loan to Lake Point Madison, LLC for the Lake Point Condominium Project.  
**Sponsors:** Tim Bruer, Isadore Knox Jr.

**Indexes:**

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
2/7/2006	1	COMMON COUNCIL	Adopt	Pass
1/30/2006	1	BOARD OF ESTIMATES (ended 4/2017)	RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER	Pass
1/17/2006	1	COMMON COUNCIL	Refer	
1/10/2006	1	Planning Unit	Fiscal Note Required / Approval	
1/10/2006	1	Finance Dept/Approval Group	Approved Fiscal Note By The Comptroller's Office	
1/10/2006	1	Planning Unit	Referred for Introduction	

**Fiscal Note**

This resolution authorizes the CDA to increase the loan by \$500,000, utilizing \$2,000,000 of a \$4,100,000 Fannie Mae line of credit as the financing source. The CDA currently pays a standby fee of \$2,400 per year to maintain the availability of this variable rate line of credit extension.

The CDA would provide a loan up to \$2,000,000 to the Lake Point Condominium Project at an interest rate equal to LIBOR plus 190 basis points. The loan would be fully due and payable by November 1, 2007.

The Fannie Mae line of credit is backed by a general obligation pledge of the City to the extent that the CDA acts to draw upon it. The interest rate and availability of the credit is conditioned on the City maintaining its current bond rating. If the CDA were unable to meet its payment obligations under the line of credit at any time, the City would be responsible for repayment.

**Title**

Authorizing an increase in the loan to Lake Point Madison, LLC for the Lake Point Condominium Project.

**Body**

WHEREAS, by Resolution No. 61849, ID No. 36708, adopted on September 21, 2004, the City has approved a loan in the amount of \$1,500,000 to the Lake Point Madison, LLC (the "Developer") to partially finance the renovation of twenty-four (24) affordable owner-occupied condominium units and construction of twenty-six (26) affordable owner-occupied condominium units on Lake Point Drive (the "Project"); and

WHEREAS, the Developer is seeking additional loan funds in order to make more units available in phase II for sale in the spring buying season; and

WHEREAS, the CDA, at its meeting of December 19, 2005 considered the request from the Developer to increase the

loan to \$2,000,000 and recommends approval.

NOW, THEREFORE, BE IT RESOLVED, that the City hereby approves an increase in the loan to the Lake Point Madison, LLC to \$2,000,000 for the Project.