



Legislation Details (With Text)

File #: 13816 **Version:** 1 **Name:** Authorizing the subordination of previously approved loans to Operation Fresh Start to a first mortgage holder and authorizing the Mayor and City Clerk to sign agreements to effect such a change.

Type: Resolution **Status:** Passed

File created: 2/25/2009 **In control:** BOARD OF ESTIMATES (ended 4/2017)

On agenda: 3/31/2009 **Final action:** 3/31/2009

Enactment date: 4/2/2009 **Enactment #:** RES-09-00304

Title: Authorizing the subordination of previously approved loans to Operation Fresh Start to a first mortgage holder and authorizing the Mayor and City Clerk to sign agreements to effect such a change.

Sponsors: Tim Bruer, Thuy Pham-Remmele, Marsha A. Rummel

Indexes:

Code sections:

Attachments: 1. OFS Req to Subordinate CDBG Mortgages to Anchor 1109 Pflaum 022409.pdf, 2. OFS letter to B. Clingan

Date	Ver.	Action By	Action	Result
3/31/2009	1	COMMON COUNCIL	Adopt	Pass
3/23/2009	1	BOARD OF ESTIMATES (ended 4/2017)	RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER	Pass
3/17/2009	1	COMMON COUNCIL	Referred	
3/6/2009	1	COMMUNITY DEVELOPMENT BLOCK GRANT COMMITTEE	Referred for Introduction	
3/5/2009	1	COMMUNITY DEVELOPMENT BLOCK GRANT COMMITTEE		

Fiscal Note

The City made a loan of HOME funds to Operation Fresh Start to help them acquire property at 1109 Pflaum Rd. to provide affordable owner-occupied housing to low or moderate income. The loan is secured with mortgages on the properties. The organization now seeks to borrow \$85,650 from Anchor Bank to complete construction of a home at 5301 Maher Ave. that requires a first mortgage. This resolution would permit subordination of the CDBG Office loans to a new loan from Anchor Bank provided the total loan-to-value of both properties does not exceed 115% as allowed in the CDBG Program Framework. No appropriation is required.

Title

Authorizing the subordination of previously approved loans to Operation Fresh Start to a first mortgage holder and authorizing the Mayor and City Clerk to sign agreements to effect such a change.

Body

WHEREAS, the Common Council approved a loan to Operation Fresh Start to help them acquire a property on which to construct a home for sale to a low or moderate income household; and

WHEREAS to CDBG staff and Commission have reviewed the proposal for the subordination and recommend Council adoption as a way to assist Operation Fresh Start to secure the funds to provide an affordable home;

NOW, THEREFORE, BE IT RESOLVED, that the Common Council authorize the Mayor and City Clerk to sign

agreements to implement the subordination.