



Legislation Details (With Text)

File #: 24364 **Version:** 1 **Name:** Authorizing the subordination of previously approved loans to Common Wealth Development and authorizing the Mayor and City Clerk to sign agreements to subordinate the loans.

Type: Resolution **Status:** Passed

File created: 10/25/2011 **In control:** BOARD OF ESTIMATES (ended 4/2017)

On agenda: 11/1/2011 **Final action:** 11/29/2011

Enactment date: 12/2/2011 **Enactment #:** RES-11-00966

Title: Authorizing the subordination of previously approved loans to Common Wealth Development and authorizing the Mayor and City Clerk to sign agreements to subordinate the loans.

Sponsors: Shiva Bidar, Tim Bruer, Matthew J. Phair

Indexes:

Code sections:

Attachments: 1. CWD Subordination Request.pdf, 2. CWD 2011 STAFF REVIEW.pdf

| Date | Ver. | Action By | Action | Result |
|------------|------|---|---|--------|
| 11/29/2011 | 1 | COMMON COUNCIL | Adopt | Pass |
| 11/21/2011 | 1 | BOARD OF ESTIMATES (ended 4/2017) | RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER | Pass |
| 11/8/2011 | 1 | BOARD OF ESTIMATES (ended 4/2017) | Referred | |
| 11/3/2011 | 1 | COMMUNITY DEVELOPMENT BLOCK GRANT COMMITTEE | Return to Lead with the Recommendation for Approval | Pass |
| 11/1/2011 | 1 | COMMON COUNCIL | Referred | |
| 10/25/2011 | 1 | CDBG Office | Referred for Introduction | |

Fiscal Note

No appropriation is required. The Resolution authorizes the subordination of previously approved loans to a new first mortgage on three Common Wealth Development properties.

Title

Authorizing the subordination of previously approved loans to Common Wealth Development and authorizing the Mayor and City Clerk to sign agreements to subordinate the loans.

Body

Common Wealth Development is looking to refinance their existing 1st mortgage loans at 1343 Williamson, 1406 Williamson and 1501 Williamson. They propose to increase their first mortgage amount by \$220,000 on a new blanket first mortgage to cover all three properties. The funds will be used to fund their equity contribution for a new rental development.

WHEREAS, the Common Council approved loans to Common Wealth Development for the acquisition of office space and rehabilitation through a Neighborhood Revitalization project.

WHEREAS, the CDD staff has reviewed the request by Common Wealth Development for the City to subordinate its loans to a new first mortgage loan that will provide working capital for Common Wealth Development's rental development at Jenifer, Cantwell and Thornton.

NOW, THEREFORE BE IT RESOLVED, that the Common Council authorize the subordination for the previously approved City loans to Common Wealth Development in the following amounts to a new blanket first mortgage on all three properties of \$360,000 and authorize the Mayor and City Clerk to sign agreements to effect such subordination.

1343 Williamson St: \$10,000 funded in 1995
\$66,264 funded in 1996

1406 Williamson St: \$25,000 funded in 1998
\$70,000 funded in 1998

1501 Williamson St: \$8,197 funded in 1994