



Legislation Details (With Text)

File #:	25455	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:	2/23/2012	In control:			BOARD OF ESTIMATES (ended 4/2017)
On agenda:	3/20/2012	Final action:			3/20/2012
Enactment date:	3/23/2012	Enactment #:			RES-12-00184

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. CDBG SA Request for Jenifer Place.pdf, 2. CWD Subordination for Jenifer St Memo.pdf, 3. CWD Jenifer St Res18929.pdf, 4. CWD Amend 4 unit Jenifer Cantwell Res 21368.pdf, 5. CDD 2012 2011 - 2012 Funding Process 24789.pdf

Date	Ver.	Action By	Action	Result
3/20/2012	1	COMMON COUNCIL	Adopt	Pass
3/12/2012	1	BOARD OF ESTIMATES (ended 4/2017)	RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER	Pass
3/6/2012	1	COMMON COUNCIL	Referred	
3/1/2012	1	COMMUNITY DEVELOPMENT BLOCK GRANT COMMITTEE	Return to Lead with the Recommendation for Approval	
2/28/2012	1	CDBG Office	Referred for Introduction	

Fiscal Note

There is no direct budgetary impact and no appropriation is required.. The City loans will be subordinated to a new first mortgage to help provide funding for additional development.

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 preparing to close on their construction loan/permanent financing which will need to be the 1st mortgage loans at 1526 Jenifer St., 434 S. Thornton Ave., and 433 Cantwell Ct. Common Wealth Development proposes to take out a first mortgage amount of \$778,824 on a new blanket first mortgage to cover all three properties. The funds will be used for rehabilitation and permanent financing.

WHEREAS, the Common Council approved loans to Common Wealth Development for the acquisition and rehabilitation of affordable rental housing.

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 totaling \$534,693 to Common Wealth Development in the amounts below to a new blanket first mortgage on all three properties of \$778,824 and authorize the Mayor and City Clerk to sign agreements to effect such subordination.

1526 Jenifer St.: \$193,800 funded in 2011

433 Cantwell Ct.: \$193,800 funded in 2011

434 S. Thornton Ave.: \$147,093 funded in 2011