



## Legislation Text

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**File #:** 16941, **Version:** 1

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### **Fiscal Note**

By resolution No. 13114, adopted, February 3, 2009, the City approved a new request by the YWCA of Madison, Inc. for \$250,000 as part of its refinance and rehabilitation of the building at 101 E. Mifflin Street. In addition, existing notes on the building were combined into one promissory note in the amount of \$340,456.50. This combined deferred loan is secured by a mortgage on the property. The YWCA is seeking to borrow \$300,000 from Forward Community Investments to pay a portion of rehabilitation costs. To secure this loan, FCI requires that it have a first mortgage on the property which means that the City would have to subordinate its interest to second place.

### **Title**

Authorizing the subordination of previously approved loan to YWCA of Madison, Inc. to Forward Community Investments (FCI) and authorizing the Mayor and City Clerk to sign agreements to effect such subordination.

### **Body**

Background: The property at 101 E. Mifflin Street contains a total of 102 residential units serving single women, single women with small children and homeless families with children. The building also includes administrative office for the YWCA's many programs.

The CDBG Committee and Common Council approved \$250,000 in HOME Match funds in the form of a deferred loan earlier this year. In order to assist in making the project desirable to historic tax credit investors, the City consolidated the existing notes on the property into one note in the amount of \$340,456.50 with a promise that designated HOME units would remain affordable for at least 15 years.

### **Body**

WHEREAS, the Common Council approved a loan to the YWCA of Madison, Inc. to help it refinance and renovate its property at 101 E. Mifflin Street; and,

WHEREAS, the CDBG Committee has reviewed the request by the YWCA for the City to subordinate its loan to the Forward Community Investments loan to enable the YWCA to complete the renovation at the 101 E. Mifflin Street property;

NOW, THEREFORE BE IT RESOLVED, that the Common Council authorize the subordination of the previously approved City loan in the amount of \$340,456.50 to YWCA of Madison, Inc. to a loan from Forward Community Investments (FCI) in the amount of \$300,000 and authorize the Mayor and City Clerk to sign agreements to effect such subordination.