



Legislation Details (With Text)

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Type: Ordinance **Status:** Passed

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Title: This ordinance authorizes the Director of the Department of Development to modify a promissory note with Northern Place, LLC for the Northern Place Townhomes project and to declare an emergency. (\$0.00).

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
7/14/2022	1	CITY CLERK	Attest	
7/13/2022	1	MAYOR	Signed	
7/11/2022	1	COUNCIL PRESIDENT	Signed	
7/11/2022	1	Columbus City Council	Approved	Pass

BACKGROUND: This ordinance authorizes the Director of the Department of Development to modify a promissory note with Northern Place, LLC for the Northern Place Townhomes project.

Northern Place, LLC is the owner of Northern Place Townhomes located at 4371 Belcher Court in the Northland neighborhood. This existing property consisting of 105 units - 14 one bedroom, 78 two bedroom, 9 three bedroom, and 4 four bedroom is being redeveloped by Connect Realty. The department supported the project by contributing \$250,000.00 of HOME funds to the project in the form of a loan (Ord. 0837-2020, PO255332).

The loan initially closed on December 16, 2020, and is preparing to close on its permanent financing. The permanent lender, Cedar Rapids Bank, has requested that the term of the City loan be extended to December 31, 2053, an 18 year extension. It is not uncommon for permanent lenders to request a longer term for City subordinate debt and City staff supports the request.

Emergency action is requested in order for the developer to maintain their project schedule.

Fiscal Impact: No funding is needed for this modification.

This ordinance authorizes the Director of the Department of Development to modify a promissory note with Northern Place, LLC for the Northern Place Townhomes project and to declare an emergency. (\$0.00).

WHEREAS, the City provide a HOME loan to Northern Place, LLC for the Northern Place Townhomes project; and

WHEREAS, the permanent lender has requested that the loan be extended and City staff supports this request; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Development in that it is immediately necessary to authorize the Director to modify the promissory note with Northern Place, LLC for the Northern Place Townhomes project in order for the developer to maintain the project schedule, thereby preserving the public health, peace, property, safety, and welfare; and

NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

SECTION 1. That the Director of Development is hereby authorized to modify a promissory note with Northern Place, LLC for the Northern Place Townhomes project.

SECTION 2. That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this Ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its approval by the Mayor, or ten days after passage if the Mayor neither approves nor vetoes the same.