



Legislation Text

File #: 1030-2020, **Version:** 1

BACKGROUND: This legislation authorizes the Director of Development to modify HOME fund loan documents with Parsons Village II, LLC to allow an increase in the permitted first mortgage amount up to \$1,700,000.

FISCAL IMPACT: No additional funds are needed for this modification.

Emergency action is requested in order to modify the loan documents as soon as possible and allow timely completion of the project without unnecessary delay.

To authorize the Director of Development to enter into a loan document modification with Parsons Village II, LLC to allow an increase in the permitted first mortgage amount up to \$1,700,000.00; and to declare an emergency.

WHEREAS, a loan agreement, promissory note, and mortgage were executed on or about May 31, 2018 to loan \$350,000.00 in HOME funds to Parsons Village II, LLC for new construction of sixty units of affordable elderly housing; and

WHEREAS, it has become necessary to modify the contract to allow a first mortgage that is greater than what was initially planned; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Development that it is immediately necessary to enter into a contract modification with Parsons Village II, LLC, thereby preserving the public health, peace, safety, and welfare; **NOW, THEREFORE:**

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

SECTION 1. That the Director of Development be, and hereby is, authorized to modify loan documents with Parsons Village II, LLC to allow a first mortgage amount of up to \$1,700,000

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 passage and approval by the Mayor or ten days after passage if the Mayor neither approves nor vetoes the same.