

RESOLUTION NO. 4-1994

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ABILENE, TAYLOR COUNTY, TEXAS, AUTHORIZING THE CITY OF ABILENE TO AMEND THE TERMS OF THE \$50,000 ACQUISITION NOTE ASSUMED BY COMMUNITY DEVELOPMENT PROPERTIES ABILENE (WINDSOR), INC. AND WAIVE REPAYMENT OF THE \$25,379.06 NOTE WHICH FUNDED THE PHYSICAL SECUREMENT OF THE WINDSOR BUILDING PRIOR TO ACQUISITION BY THE DEVELOPER.

WHEREAS, the Windsor was condemned by the City on March 12, 1992, to address safety issues and prevent further deterioration until a viable use for the building could be found; and

WHEREAS, the City filed liens on the abandoned Windsor property in the amount of \$25,349.06 prior to and during the condemnation period; and

WHEREAS, on November 5, 1992, the City released the liens on the Windsor in favor of a CDBG funded Promissory note and approved a \$50,000 CDBG loan to Windsor Restored, Inc. for the acquisition of Windsor building and improvements to the same; and

WHEREAS, on September 15, 1993, the \$50,000 and the \$25,379.06 notes were assumed by Community Development Properties Abilene (Windsor), Inc. (Developer); and

WHEREAS, the Developer has requested the terms of the \$50,000 note be restructured to match the repayment schedule anticipated on the funds provided through the HUD Section 108 program and repayment of the \$25,349.06 promissory note be forgiven; and

WHEREAS, 24 CFR 570.202 (a) and (b) of the Community Development Block Grant Regulations authorizes the use of CDBG funds for the rehabilitation of privately owned buildings and improvements for residential purposes through the use of grants, loans, or other means; and

WHEREAS, Section 373.005 (b) (4) and (16) of the Texas Community Development Act of 1975 authorizes Community Development programs to include rehabilitation of buildings and grants to entities organized to implement neighborhood revitalization; and

WHEREAS, Developer is a non-profit organization engaged in assisting Cities in the areas of housing and economic development; and

WHEREAS, the Windsor Housing Project (Project) upon completion will offer 80 units of affordable housing in the downtown for elderly and disabled persons; and

WHEREAS, the Project will result in new investment in the downtown including \$3,720,000 in private equity.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ABILENE, TAYLOR COUNTY, TEXAS, THAT:

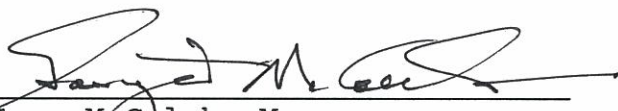
- PART 1. The terms of the Real Estate note in the amount of \$50,000 dated November 5, 1992, be amended as of the assumption date, September 15, 1993, to the following: Interest rate of 5%, term of 30 years, payments of principal and interest commencing on November 15, 1995. Repayment shall be on a residual receipts basis with payments due and payable out of the cash flow remaining after payments for operating expenses, reserves, sponsor oversight, first mortgage payments and Section 108 loan payments have been made. Accrued debt not repaid through future cash flow shall become due and payable at maturity.
- PART 2. Repayment of the Promissory Note in the amount of \$25,349.06 dated November 9, 1992 shall be waived.
- PART 3. The City Manager or his designee is authorized to sign all pertinent documents pertaining to the before mentioned loans.
- PART 4. This resolution shall take effect immediately and after its passage.

ADOPTED this the 13th day of January, A.D., 1994.

ATTEST:



Jo Moore, City Secretary



Gary McCaleb, Mayor

APPROVED:



Asst. City Attorney

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