

<u>TITLE</u> A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE CERTAIN DOCUMENTS AND INSTRUMENTS RELATIVE TO THE SUBORDINATION OF THE LOAN AND MORTGAGE RELATING TO COVENTRY PLACE LIMITED PARTNERSHIP AND TO OTHERWISE PROVIDE WITH RESPECT THERETO	<u>DATE</u> April 20, 2022	<u>ORIGINATING DEPARTMENT</u> Department of Community Development <u>CITY COUNCIL DISTRICT</u> <u>SPONSOR</u>
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PURPOSE

To authorize the Mayor to execute Subordination Agreement relative to a loan of HOME funding for the construction of Coventry Place Apartments.

BACKGROUND INFORMATION

In 2001 the City of Shreveport awarded and loaned \$800,000 in HOME program funds to Coventry Place Limited Partnership for the construction of the Coventry Place Apartments. This low-income, multi family, 48 unit development is located at 4565 N. Market Street. Coventry Place Limited Partnership is now seeking consent to subordinate the City's mortgage securing the HOME loan to its senior lenders.

TIMETABLE

Introduction: April 26, 2022
Final Passage: May 10, 2022

ATTACHMENT(S)

Exhibit "A" Subordination Agreement

SPECIAL PROCEDURAL REQUIREMENTS

None

FINANCES

N/A

SOURCE OF FUNDS

HOME Investment Partnership Program

ALTERNATIVES

(1) Adopt the Resolution as submitted, or (2) Amend the Resolution, or (3) Reject the Resolution.

RECOMMENDATION

It is recommended that the City Council adopt the Resolution.

FACT SHEET PREPARED BY: Thea R. Scott,
Department of Community Development
Bureau Chief of Admin.

RESOLUTION NO. _____ OF 2022

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE CERTAIN DOCUMENTS AND INSTRUMENTS RELATIVE TO THE SUBORDINATION OF THE LOAN AND MORTGAGE RELATING TO COVENTRY PLACE LIMITED PARTNERSHIP AND TO OTHERWISE PROVIDE WITH RESPECT THERETO

BY COUNCILMEMBER:

WHEREAS, the City of Shreveport previously made a loan of HOME Investment Partnership Funds to Coventry Place Limited Partnership in the original principal amount of \$800,000; and

WHEREAS, these funds were awarded for the construction of the multifamily development Coventry Place Apartments; and

WHEREAS, the Senior Lender for the development has agreed to permit the City of Shreveport to continue its subordinate mortgage loan against the project subject to all conditions of the attached agreements; and

WHEREAS, the City of Shreveport consents to the subordination of its loan to Senior lenders for the project.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Shreveport in due, legal and regular session convened that Adrian D. Perkins, Mayor is hereby authorized to execute a Subordination Agreement and any related documents or instruments relative to the subordination of the mortgage lien of the City of Shreveport and the Department of Community Development in and to Coventry Place Limited Partnership relative to the construction of Coventry Place Apartments.

BE IT FURTHER RESOLVED that the Mayor and City Clerk are hereby authorized, empowered, and directed to take any and all such action as may be necessary to carry into effect the provisions of this Resolution.

BE IT FURTHER RESOLVED that if any one or more of the provisions of this Resolution shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Resolution, but this Resolution shall be construed and enforced as if such illegal or invalid provisions had not been contained herein. Any constitutional or statutory provision enacted after the date of this Resolution which validates or makes legal any provision of this Resolution which would not otherwise be valid or legal, shall be deemed to apply to this Resolution.

BE IT FURTHER RESOLVED that this Resolution shall become effective in accordance with the provisions of Shreveport City Charter Section 4.23.

BE IT FURTHER RESOLVED that all resolutions, ordinances or parts thereof in conflict herewith are hereby repealed.

THUS DONE AND RESOLVED by the City Council of the City of Shreveport, Louisiana.

APPROVED AS TO LEGAL FORM:

City Attorney's Office