

## MEMORANDUM

**To:** Gorman and Company, Inc. & Roosevelt School Apartments, LLC.

**From:** Jason Gilman, Planning & Economic Development Director

**Date:** April 28, 2016, REVISED May 25, 2016

**Re:** **EDC Recommendation on Funding Request**

On April 28, 2016, the EDC recommended to approve a financial assistance package, with Roosevelt School Apartments LLC (Developer), to redevelop the Roosevelt School Building to accommodate 33 affordable apartment units. The following terms are described below:

- The City of La Crosse shall fund \$300,000.00 ~~loan to the Redevelopment Authority in order to allow it to loan funds to the Developer~~ in two parts; a \$150,000 loan disbursement in 2016 and a \$150,000 loan disbursement in 2017 ~~to Developer~~. Said loan disbursements are dependent upon the amendment to TID #13 and subject to terms and conditions of a promissory note to be approved by the City of La Crosse Common Council, ~~and~~ EDC and the Redevelopment Authority.
- The loan shall be subject to the following terms ~~pending EDC and Council approval:~~ 1% interest over 15 years based on available cash flow, with the TID assuming a first repayment position before CDBG, with the balloon payment covering remaining principal and interest due before May 1, 2031. If the development is refinanced at any time during the life of this loan, then Developer shall repay the ~~City~~ Redevelopment Authority all amounts owed under the loan in full upon refinancing. ~~The City shall fund the loan. Developer shall obtain the loan from the City.~~
- ~~The Developer~~ Roosevelt School ~~Gorman & Company, Inc. shall~~ will provide a personal guarantee for the loan.
- ~~The Developer~~ Roosevelt School Apartment, LLC by Gorman & Company shall ~~will~~ commit to a minimum value increment of \$1,250,000 as of December 31, 2017, for the parcel located at 17-10157-120.
- Developer will agree to other standard terms and conditions of the City's ~~and EDC's development agreements and~~ promissory note, payment for municipal services agreement and personal guarantys.

If this recommendation meets your approval, please sign below and return by Friday, May \_\_\_\_\_, 2016.

\_\_\_\_\_  
Developer signature of acceptance

\_\_\_\_\_  
Date