



Legislation Text

File #: 13-1548, **Version:** 1

Resolution to Allocate Funds from the Sale of 350 S. Fifth Avenue (aka the Old Y Lot) (8 Votes Required)

Whereas, In 2003 the City purchased the former YMCA building at the corner of Fifth Avenue and William Street in an effort to ensure affordable housing would be available in the downtown,

Whereas, On December 6, 2008 the City Council agreed to refinance the loan on the land at 350 S. Fifth Avenue with the intent that the City would be building affordable housing,

Whereas, On October 13, 2012, the City Council decided that any net proceeds from the sale of 350 S. Fifth Avenue would first be utilized to repay the various funds that expended resources on the property, including but not limited to due diligence, closing of the site and relocation and support of its previous tenants, after which any remaining proceeds be allocated and distributed to the Affordable Housing Trust Fund;

Whereas, On March 4, 2013 the Council determined to sell the property at 350 S. Fifth Avenue,

Whereas, On November 18, 2013 the Council accepted an offer of \$5,250,000.00 for the land at 350 S. Fifth Avenue,

Whereas, On December 2, 2013 the Council agreed to a short-term extension of the loan on the land at 350 S. Fifth Avenue and approved a distribution of funds from that sale, with \$3,500,000.00 going to retire the debt and \$293,992.50 being returned to the Affordable Housing Fund for interest paid and \$125,000.00 going to the DDA for interest paid;

Whereas, After the repayment of the loan, broker's commission and seller's closing costs, the total proceeds from the sale are \$1,384,300; and

Whereas, On December 4, 2013, the DDA agreed to forgo any repayment from the proceeds of the property at 350 S. Fifth Avenue;

RESOLVED, That the City will also forgo all repayment to various funds that were used for debt service (\$365,651.00); site work on the old Y site (\$657,876.00); and relocation of residents (\$488,646.00); and

RESOLVED, That the City Administrator will transfer to the Affordable Housing Fund \$1,384,300.00, which is the total of the proceeds from the sale of the Y lot.

Sponsored by: Councilmembers Briere, Warpehoski and Taylor