

DEPARTMENT OF ECONOMIC DEVELOPMENT

SUMMARY FOR THE LEGISLATIVE FILE

ORDINANCE NO: 1243-18

Project Name: Eliza Bryant Village
Project Site: 7201 Wade Park Ave.
Ward/Councilperson: 7 – B. Jones

Project Summary

In May 2000, Eliza Bryant Village acquired the assets of Madonna Hall as part of an expansion of their nursing home to accommodate those residents. As part of that transaction, they entered into an Empowerment Zone HUD 108 Loan with the City, with an original balance of \$5,000,000. Eliza Bryant has been making regular principal and interest payments in accordance with the terms of the loan. The loan is structured such that a balloon payment is due October 1, 2018, in an amount of approximately \$1,850,000. Eliza Bryant has requested that the balloon payment be forgiven.

Eliza Bryant Village is located in the Hough community and provides long-term and skilled nursing care for seniors, with a predominant focus on some of the distressed seniors in our community. As a result of several market challenges, they have been operating at a deficit for several years:

- Decreasing Medicaid Reimbursements
- Trend towards "Age-At-Home" model of senior living
- Transfer of post-surgical rehabilitation from hospitals to off-site care facilities like Eliza Bryant

The organization's leadership has begun a turnaround plan to stabilize Eliza Bryant for the years to come. Recent changes include increasing qualifications for nurses, rectifying deferred maintenance, and diversification of services.

The proposed loan forgiveness will stabilize the organization's financial standing and enable them to continue to provide services to the community.