

## **ORDINANCE NO. 1377-18**

### **DEPARTMENT OF COMMUNITY DEVELOPMENT GLENVILLE ELDERLY EXECUTIVE SUMMARY**

<b>Purpose:</b>	To restructure the City's \$600,000 loan on the Glenville Elderly project.
<b>Background:</b>	<p>Glenville Elderly, located at 661 East 103<sup>rd</sup> in the Glenville neighborhood, is an affordable housing property for seniors consisting of 48 units of residential housing built in 2002. The 48 units are all 850 square foot two-bedroom, one-bath apartments. The Department of Community Development (CD) issued a \$600,000 loan at 5.70% interest in September, 2002. The original loan was given to Glenville Development Corporation, which is now defunct, and later assumed by Famicos Foundation. Famicos has continued to operate the project as affordable housing for seniors.</p>
<b>Proposed Terms:</b>	<p>To extend the term of the Glenville Elderly \$600,000 loan 14 years, making the maturity date August 1, 2034. At maturity the loan becomes forgivable if the project remains affordable housing for seniors at 60% of the Area Median Income. The interest rate is changed from 5.70% to 0% and accrued interest of \$753,745 is forgiven.</p>
<b>Ward:</b>	9
<b>Amount:</b>	No new funding, term extension, interest reduction and principal reduction only.
<b>Funding Source:</b>	HOME