

ORDINANCE NO. _____, SERIES 2014

AN ORDINANCE APPROVING A FORGIVABLE LOAN, PURSUANT TO ORDINANCE NO. 54, SERIES 2009, TO NEW DIRECTIONS HOUSING CORPORATION (“NDHC”) FOR THE ASSUMPTION AND CONTINUED OPERATION OF EIGHT AFFORDABLE HOUSING RENTAL UNITS LOCATED AT 1506 AND 1508 WEST MARKET STREET.

Sponsored By: _____

WHEREAS, New Directions Housing Corporation intends to assume a Louisville Metro mortgage in the amount of \$173,560 on two residential properties located at 1506 and 1508 West Market Street Louisville, Kentucky 40203 (“Properties”); and

WHEREAS, Louisville Metro Government (Metro), by and through its Department of Community Services and Revitalization, Research, Planning and Compliance Division (“CSR”), desires to make the \$173,560 assumed mortgage a conditional, forgivable loan of Community Development Block Grant (“CDBG”) funds upon the transfer of the Properties, from the original Mortgagee, David Fleischaker and Fred Andres, Jr. to NDHC; and

WHEREAS, Louisville Metro Government has determined that the assumption of the mortgage by NDHC will further its goals for maintaining housing for low income persons in the Louisville Metro area; and

WHEREAS, Louisville Metro Government wishes to modify the current Loan Agreement executed on June 30, 1999 secured by a Note and Mortgage to transfer said documents to NDHC and to provide a forgivable loan in the amount of \$173,560 to NDHC; and

WHEREAS, Metro will secure said CDBG Funds with a note and mortgage on the Properties until such time as the Grant period as described within the modified Loan Agreement has ended; and

WHEREAS, the council has determined that making the forgivable loan to NDHC is in furtherance of the public purposes of Louisville Metro.

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT AS FOLLOWS:

SECTION I: That the forgivable loan in the amount of \$173,560 to be made to NEW DIRECTIONS HOUSING CORPORATION is approved pursuant to Ordinance No. 54, Series 2009, for the purposes described in the Whereas clauses above.

SECTION II: That the Metro Mayor and other officials and employees of Louisville Metro are authorized and directed to execute all necessary agreements, notes, affidavits and other documents and to do and perform all necessary or convenient actions to carry out the purpose authorized by this Ordinance..

SECTION III: This Ordinance shall take effect upon its passage and approval.

H. Steven Ott
Metro Council Clerk

Jim King
President of the Council

Greg Fischer
Mayor

Approval Date

APPROVED AS TO FORM AND LEGALITY:

Michael J. O'Connell
Jefferson County Attorney

By: _____
Assistant Jefferson County Attorney