



Louisville Metro Government

Legislation Text

File #: O-243-21, Version: 1

ORDINANCE NO. _____, SERIES 2021
AN ORDINANCE APPROVING LOAN FORGIVENESS TO CATHEDRAL COMMONS LTD, A KENTUCKY LIMITED PARTNERSHIP PURSUANT TO LOUISVILLE METRO CODE OF ORDINANCES ("LMCO") SECTION 39.131(B).

SPONSORED BY: COUNCIL MEMBER ARTHUR

WHEREAS, Louisville/Jefferson County Metro Government, Office of Develop Louisville, by and through its Office of Housing ("Metro Government" or "Office of Housing") entered into a certain loan agreement on May 13, 2004 with Cathedral Commons, Ltd., a Kentucky Limited Partnership, by Cathedral Properties, LLC, its General Partner, ("Cathedral Commons", and together, "Parties") secured by a note, executed of even date, in the amount of \$500,000.00 USD and recorded at Deed Book 08415, Pages 0943-0963, (attached as Exhibit "A") in the Office of the Clerk of Jefferson County, Kentucky;

WHEREAS, the note evidencing the loan agreement between the Parties was secured by a mortgage recorded in Mortgage Book 08676, Page 0372. The note and mortgage encumber several properties located at 429-433 South 2nd Street, Louisville, KY 40202, where Cathedral Commons constructed 40 units of affordable housing;

WHEREAS, Metro Government stands in current need of affordable housing, and acknowledges that by forgiving Cathedral Common's current indebtedness to Metro Government, Cathedral Commons may better pursue its affordable housing goals;

WHEREAS, the maturity date of the note and mortgage calls for the principal balance to be paid on or before December 31, 2020;

WHEREAS, under LMCO § 39.131(B), the Mayor, by and through, Develop Louisville, on

behalf of Metro Government may forgive a note in excess of \$150,000 with Metro Council approval by ordinance; and

WHEREAS, Office of Housing desires to forgive the indebtedness owed by Cathedral Commons in the amount of \$500,000.00.

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

SECTION I: That Develop Louisville, by and through the Office of Housing, is authorized to forgive the amount of \$500,000.00 owed to Metro Government by Cathedral Commons, Ltd., a Kentucky Limited Partnership, by Cathedral Properties, LLC, its General Partner under LMCO § 39.131(B), and cause the mortgage as described in the Whereas clauses above to be released.

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

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

Sonya Harward
Metro Council Clerk

David James
Metro Council President

Greg Fisher
Mayor

Approval Date

APPROVED AS TO FORM AND LEGALITY:

Michael J. O'Connell
Jefferson County Attorney

By: _____

O-243-21 Ord. to Forgive Cathedral Commons, LTD Indebtedness jdf 051421