



City Council

Approval of a Resolution Authorizing an Agreement with SafePlace for Subordination of a Community Development Block Grant loan

Agenda Date: 11/21/2023
Agenda Item Number: 4.D
File Number:23-0996

Type: resolution **Version:** 1 **Status:** Passed

Title

Approval of a Resolution Authorizing an Agreement with SafePlace for Subordination of a Community Development Block Grant loan

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to approve a Resolution authorizing a Subordination Agreement with SafePlace for subordination of a Community Development Block Grant (CDBG) Loan.

Report

Issue:

Whether to approve a Resolution authorizing a Subordination Agreement with SafePlace for subordination of a CDBG Loan.

Staff Contact:

Anastasia Everett, CDBG Program Manager, 360.233.6197

Presenter(s):

None - Consent Calendar Item.

Background and Analysis:

In 2015, the CDBG program loaned SafePlace \$80,516.20 to make improvements on the office building at 521 Legion Way SE. Timberland Bank has approved a loan for SafePlace for additional improvements on the property. The loan is contingent on securing a Deed of Trust in second position behind the Timberland Bank first Deed of Trust. SafePlace has requested that the City subordinate to the new Timberland Bank Deed of Trust, remaining in second lien position as a lender behind Timberland Bank.

Climate Analysis:

This action is not anticipated to create or improve any climate consequences.

Equity Analysis:

CDBG loans can be used to make improvements on private residences as well as improvements to public facilities owned by nonprofit organizations. Improvements must meet a National Objective of benefitting low- to moderate-income people. SafePlace provides critically needed services to some of our community's most vulnerable residents.

Neighborhood/Community Interests (if known):

SafePlace provides services to community members throughout the City of Olympia.

Financial Impact:

A \$80,516.20 loan granted to SafePlace will be subordinated to the second position to secure an additional line of credit for additional office improvements.

Options:

1. Approve the Resolution.
2. Do not Approve the Resolution.
3. Consider the Resolution at another time.

Attachments:

Resolution