

Community Planning & Economic Development

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April 27, 2006

MEMO TO: Chuck Lutz, Deputy Director

FROM: Jack Kryst, Chair, Development Finance Committee

SUBJECT: Development Finance Committee Recommendation Regarding Amendment of
Loan Terms for 2700 East Lake (Coliseum Building)

On April 27, 2006, the Development Finance Committee considered a staff report regarding the proposed amendment of terms for a \$1.25 million loan to 2700 East Lake LLC for the Coliseum Building.

The Committee recommends that the loan be deferred for four to eight months, followed by 12 months of interest-only payments, provided that CPED review the loan documents and improve the City's position by: 1) directing any additional cash flow to CPED or to a reserve for building improvements that requires CPED approval for expenditures; and/or 2) securing a mortgage on the borrower's home.

cc: Susan Thompson
Tom Daniel
Mike Christenson
Lee Sheehy