

Community Planning & Economic Development

Crown Roller Mill, 105 Fifth Ave. S.
Suite 200
Minneapolis, MN 55401



August 2, 2007

MEMO TO: Chuck Lutz, Deputy Director

FROM: Jack Kryst, Chair, Development Finance Committee

SUBJECT: Development Finance Committee Recommendation Regarding Proposed Restructuring of Neighborhood Development Account Loan to Phillips Place Coop

On August 2, 2007, the Development Finance Committee considered a staff report regarding extending the balloon payment due date to August 18, 2021 for a \$458,380 Neighborhood Development Account loan to Phillips Place Limited Partnership for the Phillips Place Coop.

The Committee concurs with the staff recommendation that the extension be approved, subject to a staff review that determines that:

- the project is in compliance with the loan covenants related to escrows and reserves;
- current operating statements indicate the project has an adequate cash flow; and
- there is a plan to address the issue if projections indicate there will not be an adequate cash flow.

cc: Elizabeth Ryan
Kevin Dockry