

**Community Planning & Economic Development**

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May 13, 2004

MEMO TO: Chuck Lutz, Deputy Director

FROM: Jack Kryst, Chair, Development Finance Committee

SUBJECT: Development Finance Committee Action Regarding Zinsmaster Apartments  
Loan Restructuring

On May 13, 2004, the Development Finance Committee considered a report on the restructuring of a loan to Community Housing Development Corporation Zinsmaster LLC for the affordable housing development at 2900 Park Avenue and 2916 Park Avenue.

The Committee recommended approval of the staff recommendation to revise the loan repayment terms by eliminating the sharing of cash flow and the \$600,000 balloon payment due in 2007, and deferring the repayment of the \$1,130,916 loan, plus interest, until February 2018. The Committee further recommended that there be an enforcement mechanism to ensure that the money that would have been spent on debt service be spent instead on deferred maintenance and that there is no distribution to the limited liability corporation (other than asset management fees).

cc: Lee Sheehy  
Cynthia Lee  
Donna Wiemann