



Legislation Text

File #: RES 21-529, **Version:** 1

Approving and authorizing a STAR loan restructure loan made to Community Dental Care ("Borrower").

WHEREAS, on July 28th, 2010, by Resolution 10 - 814, the Saint Paul City Council awarded a STAR loan to Borrower in the amount of \$130,000 (the "STAR Loan") for Borrower to construct a parking lot at its location of 528 Hawthorne Avenue, Saint Paul (the "Project"); and

WHEREAS, the original STAR Loan terms were 2% interest, amortized over 30-years, with payments commencing on January 1, 2012, and a balloon payment due on January 1, 2017; and

WHEREAS, the Project took longer to complete than expected and on February 17, 2017 the Borrower requested a deferral of payments until January 1, 2017 with a balloon payment due on May 1, 2020; and

WHEREAS, due to the Covid pandemic, the Borrower's revenue decreased approximately 50% during the pandemic,

WHEREAS, the Borrower wishes to extend the maturity date until May 1, 2023 and to continue to make monthly principal and interest payments; and

WHEREAS, staff from the Department of Planning and Economic Development is recommending to the City Council that it approve extending the STAR Loan maturity date due to Borrower's cash-flow issues experienced from the 50% revenue decrease due to the pandemic; and

WHEREAS, on July 28, 2020, the Credit Committee reviewed and recommended approval of extending the maturity date to May 1, 2023.

NOW, THEREFORE, BE IT RESOLVED by the Saint Paul City Council as follows:

1. The Saint Paul City Council hereby approves amending the STAR loan to Community Dental Care on the terms and conditions described in the staff report
2. The PED Director, staff, and legal counsel for PED are further directed and authorized to take all actions necessary to implement this Resolution. The PED's Director and staff are specifically authorized to execute any documents and instruments in connection with this Resolution.