



Legislation Details (With Text)

File #: 2017-0373 **Version:** 1 **Name:** Madison Construction - 15657 S. 70th Court - Revolving Loan Fund Extension

Type: MOTION **Status:** PASSED

File created: 5/11/2017 **In control:** Board of Trustees

On agenda: 6/5/2017 **Final action:** 6/5/2017

Title: Madison Construction - 15657 S. 70th Court - Revolving Loan Fund Extension

Code sections:

Attachments: 1. 2011 Report, 2. Letter Extension Request 5.4.17

Date	Ver.	Action By	Action	Result
6/5/2017	1	Board of Trustees		
5/31/2017	1	Development Services Department	INTRODUCED TO BOARD	
5/15/2017	0	Development Services, Planning and Engineering Committee	RECOMMENDED FOR APPROVAL	Pass
5/12/2017	0	Development Services Department	INTRODUCED TO COMMITTEE	

Title/Name/Summary

Madison Construction - 15657 S. 70th Court - Revolving Loan Fund Extension

History

In March of 2011, the Village approved a Revolving Loan Fund request from Madison Construction in the amount of \$586,750.00 to fund substantial rehabilitation and renovation work for an existing building located at 15657 South 70th Court. The loan request represented 38% of the total project budget (property acquisition, rehabilitation and soft costs), and served to keep an existing successful company in Orland Park. Today, the building continues to serve as the Madison Construction headquarters.

Highlights of the existing agreement include:

- Original Loan Amount: \$596,750.00
- Interest Rate: 1.625%
- Terms: 5 year balloon; 25 year amortization
- Monthly Payment Amount: \$2,381.24
- Start Date: July 7, 2012
- Final Payment Date: June 7, 2017

A copy of the 2011 Staff Report is attached, which comprehensively presents the key agreement terms and other background information.

At this time, Madison Construction is requesting a 6-month extension, which will move the Final Payment Date from June 7, 2017 to December 7, 2017. This request will allow the business to facilitate their continued commitment to the Orland Park area and to their headquarters. The Village has reviewed the business's current financials (2014, 2015 and 2016), and based upon the information provided and our general analysis we do not see any significant concerns for extending

the loan maturity date for a short time period.

On May 15, 2017, the Development Services, Planning and Engineering Committee moved 3-0-0 to recommend to the Village Board of Trustees to approve a 6-month extension to the Revolving Loan Fund agreement with Madison Construction and establish a new Final Payment Date of December 7, 2017.

This case is now before the Village Board of Trustees for consideration.

Financial Impact

This extension will result in 6-months of additional interest payments to the Village.

Recommended Action/Motion

I move to approve a 6-month extension to the Revolving Loan Fund agreement with Madison Construction and establish a new Final Payment Date of December 7, 2017.