



## Legislation Text

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**File #:** 2017-0373, **Version:** 1

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### **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.