

RESOLUTION NO. 26859

A RESOLUTION AUTHORIZING THE DEFERRAL OF LOAN REPAYMENTS BY CHATTANOOGA HOUSING AUTHORITY ON BEHALF OF DOGWOOD MANOR DUE TO CASH FLOW SHORTAGE AND FURTHER PROVIDING THAT ANY EXCESS CASH FLOW RESULTING FROM THIS SUSPENSION OF LOAN PAYMENTS BE SET ASIDE AS CAPITAL RESERVES UNTIL SUCH TIME AS THE PROPERTY IS DISPOSED OF OR OPERATIONS CONSISTENTLY PROVIDE SUFFICIENT CASH FLOW WHICHEVER OCCURS FIRST, PROVIDED THIS DEFERRAL SHALL NOT EXCEED SIX (6) MONTHS WITHOUT FURTHER APPROVAL BY THE CITY COUNCIL.

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BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHATTANOOGA, TENNESSEE, That it is hereby authorizing the deferral of loan repayments by Chattanooga Housing Authority on behalf of Dogwood Manor due to cash flow shortage and further providing that any excess cash flow resulting from this suspension of loan payments be set aside as capital reserves until such time as the property is disposed of or operations consistently provide sufficient cash flow whichever occurs first, provided this deferral shall not exceed six (6) months without further approval by the City Council.

ADOPTED: October 4, 2011

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