

Resolution #22-0639
2022 Resolution Book, Page 287

RESOLUTION AUTHORIZING SUBORDINATION OF THE CITY OF WINSTON-SALEM'S EXISTING PERMANENT FINANCING FOR DRAYTON PINES TO NEW FINANCING

WHEREAS, in February 2017, the City Council authorized \$500,000 in Community Development Block Grant (CDBG) funds to the Housing Authority of the City of Winston-Salem (HAWS) to substantially rehabilitate Drayton Pines, located on Bohannon Park Circle; and

WHEREAS, the City's loan is subordinate to a first loan from Wells Fargo Bank and a second loan from Branch Banking and Trust Company (BB&T, now Truist); and

WHEREAS, rehabilitation was completed in 2019, and Drayton Pines continues to have high occupancy; and

WHEREAS, HAWS is now seeking to refinance the Wells Fargo loan, which will mature later this year, with a similarly structured conventional loan from Piedmont Federal Savings Bank; and

WHEREAS, HAWS is requesting that the City of Winston-Salem subordinate its loan to the new Piedmont Federal loan and the existing Truist loan and remain in third-lien position.

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and City Council of the City of Winston-Salem authorize subordination of the City of Winston-Salem's debt with the Housing Authority of the City of Winston-Salem to new financing from Piedmont Federal Savings Bank, and its affiliates, successors, and assigns.

Winston-Salem City Council
APPROVED
November 14, 2022

BE IT FURTHER RESOLVED that the Mayor and City Council authorize the City Manager to execute documents consistent with the resolution, including amendments to any existing documents regarding this matter.