

## RESOLUTION NO. 3010

### **A RESOLUTION AUTHORIZING AN INTERFUND LOAN OF UP TO \$1,425,000 FROM THE GENERAL FUND TO THE INTERNAL SERVICE FUND-FACILITY MANAGEMENT PROGRAM TO PROVIDE INTERIM FINANCING OF OPERATING EXPENDITURES.**

#### **Findings**

a) In 2010 the City entered into a 5 year \$3.6 million credit facility with Bank of America to refinance the outstanding balance owed on the previous loan related to financing of the "Bulletin Land" located at 1526 NW Wall Street. The original maturity of the 2010 loan was June 1, 2015.

b) In May 2015 the City Council authorized extension of the maturity of the 2010 loan to December 31, 2015. The maturity date of the loan is December 31, 2015, however payment is due on December 1, 2015. The outstanding balance of the 2010 loan plus accrued interest is \$1.425 million.

c) The City accepted an offer of \$2,278,406 for the sale of the Bulletin Land on May 6, 2015. The closing date on the sale has been extended several times and the current closing date is on or before November 30, 2015, the day before the maturity of the Bank of America loan.

d) In the event of a delay in the closing date, the Internal Service Fund-Facility Management Program will not have sufficient resources to payoff the 2010 Bank of America loan prior to the receipt of land sale proceeds.

e) Property sale proceeds will be sufficient to repay the interfund loan.

f) The General Fund has funds available for interim borrowing.

BASED ON THESE FINDINGS, THE CITY COUNCIL OF THE CITY OF BEND RESOLVES AS FOLLOWS:

**Section 1.** That up to **\$1,425,000** be loaned from the General Fund to the Internal Service Fund-Facility Management Program to provide the necessary interim financing of operating expenditures, i.e. principal and interest payments.

**Section 2.** The loan will be repaid during the current 2015-2017 biennium from land sale proceeds, with no interest.

Adopted by the City Council the 18<sup>th</sup> day of November, 2015.

Yes: Jim Clinton, Mayor  
Victor Chudowsky  
Doug Knight  
Sally Russell  
Nathan Boddie  
Casey Roats  
Barb Campbell

No: None

Attest:

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Jim Clinton, Mayor

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Robyn Christie, City Recorder

Approved as to form:

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Mary Winters, Legal Counsel