

**JOHN DAY URBAN RENEWAL AREA
JOHN DAY, OREGON**

RESOLUTION NO. 2020-03

A RESOLUTION TO AUTHORIZE DEBT REFINANCING IN THE FY 2020-2021 BUDGET

WHEREAS, the John Day Urban Renewal Agency (the "Agency") and its Board of Directors (the "Board") are responsible for providing financial oversight and accountability for the management of the John Day Urban Renewal Area and its incentive programs; and

WHEREAS, Board Resolution 2019-05 authorized the Agency to receive a loan from the City of John Day in the amount of \$62,500 to finance its housing incentive programs, which loan was to be repaid over a 5-year period at a rate of 3.5% annually; and

WHEREAS, Old West Federal Credit Union has extended a financing offer to the Agency to refinance the note up to \$60,000 at a 3% fixed interest rate for a 7-year term starting December 31, 2020; and

WHEREAS, Old West Federal Credit Union has extended a \$40,000 line of credit offer to the Agency to finance future incentive payments at a 3% fixed interest rate; and

WHEREAS, the terms offered by these loans will improve the financial position of the Agency;

NOW THEREFORE, BE IT RESOLVED

- 1) Board accepts the Old West Federal Credit Union credit offer and terms as proposed.
- 2) Board authorizes Agency to incur debt service for \$100,000 in the form of the \$60,000 refinancing loan and the \$40,000 line of credit.
- 3) Board authorizes Chairperson Ron Lundbom and Director Nicholas Green to be authorized signers for all loan documentation related to this transaction.
- 4) Board authorizes Director Green to issue repayment to the City of John Day for the balance of the City's loan upon funding of the Old West Federal credit instruments.

Adopted by the Board of Directors of the John Day Urban Renewal District this 25th of day of August, 2020.

Ron Lundbom, Chairperson

Attest:

Nicholas Green, Director