

RESOLUTIONS OF THE CITY OF HELENA, MONTANA

RESOLUTION NO. 20069

A RESOLUTION AUTHORIZING THE USE OF THE CITY OF HELENA REVOLVING LOAN FUND BY MONTANA BUSINESS ASSISTANCE CONNECTION, INC. FOR THE PURPOSE OF REAL PROPERTY ACQUISITION

WHEREAS, the City of Helena previously established an economic development revolving loan fund (RLF) with grant and loan repayment revenues from various Community Development Block Grant funds;

WHEREAS, the City of Helena previously entered into various Su-Recipient Agreements with Gateway Economic Development Corporation to provide program and fund management services with respect to the City of Helena's RLF;

WHEREAS, Montana Business Assistance Connection, Inc. (MBAC) is the successor to and has assumed the role and responsibilities of Gateway with respect to the management and administration of the City's RLF, and presently fulfills those responsibilities under the provisions of the January 2003 Sub-Recipient Agreement;

WHEREAS, MBAC is presently considering the possible use of a portion of the RLF funds for an economic development gesture involving the direct acquisition of a tract of real property in Helena known as the Caird Property;

WHEREAS, the Sub-Recipient Agreement provides that the use of RLF income, principal, and interest for any purpose other than RLF lending requires approval by the Helena City Commission; and

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WHEREAS, subject to the conditions set forth below, the City Commission wishes to provide that approval.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE CITY OF HELENA, MONTANA:

Section 1. MBAC is hereby authorized to utilize City of Helena RLF income, principal, and interest in an amount not to exceed \$500,000.00 for the purpose of acquiring the Caird Property, subject to the following conditions:

A. MBAC's use of any RLF funds will be undertaken through a written Loan Agreement between the City of Helena RLF and MBAC, with the terms of the Loan Agreement and its accompanying security instrument(s) to be established, approved, and entered into by the City Manager on behalf of the City.

B. MBAC will make whatever changes may be necessary to the current operating Policies and Procedures for the RLF to authorize the use of the RLF funds for this specific purpose; and

C. MBAC will remain in compliance with and otherwise continue to fulfill its obligations to the City under the Sub-Recipient Agreement during the term of any loan agreement.

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PASSED AND EFFECTIVE BY THE COMMISSION OF THE CITY OF HELENA,
MONTANA, THIS 24th DAY OF FEBRUARY, 2014.

/S/ James E. Smith
MAYOR

ATTEST:

/S/ Debbie Havens
CLERK OF THE COMMISSION