

FILED

NOV 16 2018

RESOLUTION NO. 18, 2018

CITY CLERK

A RESOLUTION AUTHORIZING THE EXTENSION OF A TEMPORARY, REVOLVING LOAN FROM THE TERRE HAUTE REDEVELOPMENT COMMISSION TO THE CITY OF TERRE HAUTE.

WHEREAS, the Common Council for the City of Terre Haute, Indiana is seeking the ability to continue to pursue temporary avenues of cash flows for its General Fund pursuant to the powers granted through Indiana Code 36-1-8-4 and 36-7-14-8 (collectively, the "Authorizing Statutes");

WHEREAS, the Common Council is specifically seeking the ability to utilize temporary loans from funds held by the Terre Haute Redevelopment Commission that carry sufficient balances to support the City of Terre Haute General Fund;

WHEREAS, the ability to pursue said temporary loans has and will continue to enable adequate cash flow requirements and avoid, or reduce entirely, the cost of borrowing funds from other sources;

WHEREAS, the Common Council finds the existence of an emergency to facilitate the extension of the loan authorized by Resolution 7, 2018 into FY 2019 for a period not to exceed six (6) months;

WHEREAS, the Common Council, in conjunction with the Terre Haute Redevelopment Commission, has determined that sufficient funds held by the Terre Haute Redevelopment Commission exist to facilitate the continuation of the temporary loan to the City of Terre Haute, Indiana;

WHEREAS, in accordance with the Authorizing Statutes, this Resolution and the companion resolution to be adopted by the Terre Haute Redevelopment Commission sets forth the maximum amount of funds of the Terre Haute Redevelopment Commission which may be continued to be loaned to the City to support the General Fund and the expiration date of such loan; and

NOW, THEREFORE, BE IT RESOLVED by the Common Council that:

- a) Pursuant to Resolution 7, 2018 the City of Terre Haute has previously deposited all funds related to a previous temporary loan received by the Terre Haute Redevelopment Commission, and all other funds of the Terre Haute Redevelopment Commission, into one or more separate (structured as directed by the Terre Haute Redevelopment Commission to comply with bonding requirements of the Terre Haute Redevelopment Commission) bank accounts (separate and apart from all other funds of the City of Terre Haute) at an institution chosen by the Mayor of the City of Terre Haute that has been and remains qualified to receive and hold deposits of the City (the "Depository Accounts") and City shall remain bound by those terms for the duration of the extension of the temporary loan authorized by this Resolution.

b) Except for withdrawals from account 0471 (Central Business District TIF) and account 410 (Redevelopment ST RD 46 TIF #10) in the total amounts specified below, no funds held in any of the Depository Accounts will be withdrawn from any of said Depository Accounts except on the written direction of the Terre Haute Redevelopment Commission and the Terre Haute Redevelopment Commission shall, at all times, be entitled to make inquiries of any institution holding the Depository Accounts regarding the balances in the Depository Accounts and all activity in the Depository Accounts from time to time as it may see fit.

c) The Terre Haute Redevelopment Commission has been, and will continued to be, authorized to receive account statements regarding the Depository Accounts, and make inquiries of the institution holding the Depository Accounts from time to time as the Terre Haute Redevelopment Commission may see fit regarding the balance(s) in the Depository Accounts and all activity in the Depository Accounts for all loan amounts authorized by this Resolution.

d) The following temporary, revolving loan from funds of the Terre Haute Redevelopment Commission is to be extended from its original expiration on December 31, 2018 until June 30, 2019 with the following parameters and effective upon passage of a reciprocal resolution by the Terre Haute Redevelopment Commission. Additionally, upon written request by a member of the Common Council or the Terre Haute Redevelopment Commission, the City Controller shall, within seventy two (72) business hours, provide up-to-date documentation stating the total amount(s) loaned as well as detailed statements of all cash balances of any Redevelopment Commission account affected by this loan directly from the financial institution where said funds are held in electronic or hard copy. Failure to provide timely information pursuant to the previous provision shall be cause for the immediate termination of the loan and shall accelerate the repayment of any outstanding debts pursuant to this resolution within thirty (30) days of said default:

Maximum Loan Amount:	\$2,000,000.00
Maximum Interest Rate:	0.00%
Loaned From:	Terre Haute Redevelopment Commission (\$1.5 million from account 0471 Central Business District TIF and \$.5 million from account 410 Redevelopment ST RD 46 TIF #10)
Loaned To:	City of Terre Haute General Fund

e) An emergency exists for the extension of this temporary loan into FY 2019 on the basis of the limited cash available to the City at year-end to meet its necessary financial obligations.

Introduced by: O. Earl Elliott O. Earl Elliott, Councilmember

Passed in open Council this 11th day of December, 2018.

Curtis DeBaun Curtis DeBaun, President

ATTEST: Michelle L. Edwards Michelle L. Edwards, City Clerk

Presented by me to the Mayor this 7 day of December, 2018.

Michelle L. Edwards Michelle L. Edwards, City Clerk

Approved by me, the Mayor, this 7th day of December, 2018.

Duke A. Bennett Duke A. Bennett, Mayor

ATTEST: Michelle L. Edwards Michelle L. Edwards, City Clerk