

MIDVALE CITY CORPORATION

RESOLUTION No. 2014-R-45

A RESOLUTION AUTHORIZING EXECUTION OF A LOAN AND REPAYMENT AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF MIDVALE CITY AND MIDVALE CITY

WHEREAS, the Redevelopment Agency of Midvale City was created to transact certain business and exercise within the powers provided for in the Utah Redevelopment Agencies Act; and

WHEREAS, the Redevelopment Agency desires to purchase a specific real estate parcel within the RDA project area; and

WHEREAS, the Redevelopment Agency is in need of a short term loan from Midvale City in order to acquire the property; and

WHEREAS, the City's Public Utilities Fund has adequate cash reserves to advance funds to the Redevelopment Agency ; and

WHEREAS, the Redevelopment Agency of Midvale City agrees to compensate Midvale City for providing such resources; and

WHEREAS, a Loan and Repayment Agreement between the Redevelopment Agency of Midvale City and Midvale City has been drawn up, and Midvale City is ready and willing to assume the relationship within the Agreement; and


WHEREAS, the City Council hereby desires to adopt and approve the attached Loan and Repayment Agreement as presented.

NOW THEREFORE, BE IT RESOLVED BY THE MIDVALE CITY COUNCIL that based on the foregoing, the City Council does hereby authorize the Mayor and City Manager to execute a Loan and Repayment Agreement in the form attached to this resolution and subject to such other terms and conditions as recommended by City's legal counsel.

APPROVED AND ADOPTED this 2nd day of September, 2014.


JoAnn B. Seghini
Mayor

Attest:


Rori L. Andreason, MMC
City Recorder



Voting by the Board:

Steve Brown

Paul Glover

Robert Hale

Paul Hunt

Wayne Sharp

"Aye"

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☒

"Nay"

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LOAN AND REPAYMENT AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF MIDVALE CITY AND MIDVALE CITY

This is a Loan and Repayment Agreement ("Agreement"), dated _____ by and between the Redevelopment Agency of Midvale City ("Agency") and Midvale City ("City"). Agency and City are referred to in this Agreement collectively as the "Parties" and each individually as a "Party".

RECITALS

WHEREAS, the Agency was created to transact certain business and exercise certain powers provided for in the Utah Redevelopment Agencies act; and

WHEREAS, the Agency is vested with the responsibility of undertaking redevelopment projects within the City; and

WHEREAS, the Parties desire to enter into this Agreement to provide resources to the Agency; and

WHEREAS, the Agency agrees to compensate the City for providing such resources; and

WHEREAS, the Agency and the City are each ready and willing to assume the relationship described herein.

NOW THEREFORE, the Agency and the City, for and in consideration of the mutual promises and agreements set forth herein, agree as follows:

1. **PURPOSE**

The purpose of this Agreement is to establish a mechanism for the repayment of funds advanced from the City to the Agency. The City hereby agrees to advance \$3,019,100 to the Agency for the purpose of acquiring real estate. The Agency intends to sell the property acquired to a third party.

2. **TERM OF AGREEMENT**

This Agreement shall be in full force and effect for a period beginning as of the execution date of this Agreement and continue thereafter until any and all obligations owed by the Agency to the City are satisfied in full in accordance with the terms of this Agreement.

3. **REIMBURSEMENT OF CITY FUNDS**

The Agency shall compensate the City for all funds advanced as part of this Agreement.

4. **INTEREST**

The reimbursement obligation of the Agency pursuant to this Agreement shall bear interest at an average annual rate equal to the Public Treasurers' Investment Fund used by the City during the year that the funds were advanced.

5. **REPAYMENT TERMS; SUBORDINATION**

The obligation and interest thereon shall be repayable from the Agency's Bingham Junction Project Fund on or before October 31, 2014. To the extent that the Agency does not complete the sale of the property to a third party and therefore is unable to repay the funds, the Agency shall make every reasonable effort to secure alternate funding for the purpose of reimbursing the City.

6. **TERMINATION OF AGREEMENT**

This Agreement shall be in full force and effect from the date hereof until such time that any and all reimbursement obligations and interest thereon shall have been fully paid. Time is of the essence in this Agreement.

7. **GOVERNING LAW**

The terms and conditions of the Agreement shall be governed by the laws of the State of Utah.

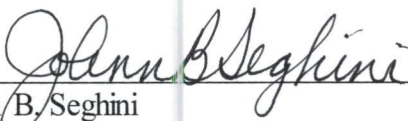
8. **SEVERABILITY**

If any provision of this Agreement shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative, or unenforceable to any extent whatsoever.

In Witness Whereof, the Agency and the City have caused this Agreement to be duly executed as of the date first written above.

REDEVELOPMENT AGENCY OF MIDVALE CITY

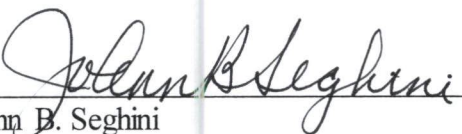
“Agency”


By 
JoAnn B. Seghini
Its Chief Administrative Officer

By 
Kane Loader
Its Executive Director

MIDVALE CITY

“City”

By 
JoAnn B. Seghini
Mayor

By 
Kane Loader
City Manager

STATE OF UTAH)
: ss.
COUNTY OF SALT LAKE)

On the 3rd day of Sept, 2014 personally appeared before me JoAnn B. Seghini, who being by me duly sworn did say she is the Chief Administrative Officer of the Redevelopment Agency of Midvale City, and that the within and foregoing instrument was signed on behalf of the Agency.

Rori L. Andreason
NOTARY PUBLIC
Residing at: Midvale UT

My Commission Expires:

11-01-2016



STATE OF UTAH)
: ss.
COUNTY OF SALT LAKE)

On the 3rd day of September, 2014 personally appeared before me Kane Loader, who being by me duly sworn did say he is the Executive Director of the Redevelopment Agency of Midvale City, and that the within and foregoing instrument was signed on behalf of the Agency.

Rori L. Andreason
NOTARY PUBLIC
Residing at: Midvale UT

My Commission Expires:

11-01-2016



STATE OF UTAH)

: ss.

COUNTY OF SALT LAKE)

On the 3rd day of Sept., 2014 personally appeared before me JoAnn B. Seghini, who being by me duly sworn did say she is the Mayor of Midvale City, and that the within and foregoing instrument was signed on behalf of the Agency.

Rori L. Andreason

NOTARY PUBLIC

Residing at: Midvale, UT

My Commission Expires:

11-1-2016



STATE OF UTAH)

: ss.

COUNTY OF SALT LAKE)

On the 3rd day of Sept., 2014 personally appeared before me Kane Loader, who being by me duly sworn did say he is the City Manager of Midvale City, and that the within and foregoing instrument was signed on behalf of the Agency.

Rori L. Andreason

NOTARY PUBLIC

Residing at: Midvale, UT

My Commission Expires:

11-01-2016

