

Resolution No. 2014-13

[CITY COUNCIL MEETING MINUTES MAY 19, 2014](#)

RESOLUTION NO. 2014-13

A resolution of the City Council of the City of Lakewood, Washington, authorizing the submission of a project-specific application and subsequent execution of the Contract for Loan Guarantee Assistance and issuance of the related Note and other implementing documentation with the U.S. Department of Housing and Urban Development and as a condition pledges the City of Lakewood's current and future Community Development Block Grant funds as additional collateral for a Section 108 loan up to the amount of \$700,000 to develop the Curbside Motors project located at 9915 – 10005 South Tacoma Way.

WHEREAS, the U.S. Department of Housing and Urban Development (“HUD”) has established the Section 108 Loan Guarantee Program (“Program”) in order to provide below-market rate loans for qualified projects that serve the needs of low and moderate income persons; and,

WHEREAS, the City of Lakewood meets the criteria to participate in the Program as an entitlement city, receiving funds through the Community Development Block Grant Program (“CDBG”); and,

WHEREAS, the City Council conducted a public hearing and approved Resolution 2012-07 authorizing application and participation in the Program on February 6, 2012 in order to provide a \$2,888,000 loan pool to provide loan funding for eligible economic and community development activities which benefit low and moderate income persons in Lakewood; and,

WHEREAS, the City Council acknowledges the requirement that the City pledge current and future CDBG funds as additional collateral to guarantee loans provided through the Program; and,

WHEREAS, in connection with such application process, a project-specific amendment to the City of Lakewood FY 2013 Consolidated Annual Action Plan was made public on March 12, 2014, providing a 30-day citizen comment period on the proposed action; and,

WHEREAS, a public hearing was held on April 9, 2014, before the CDBG Citizens Advisory Board to discuss the Curbside Motors project Section 108 loan up to \$700,000, which is eligible for funding under the Program in accordance with requirements set forth by the Program; and,

WHEREAS, the City Council acknowledges an unconditional pledge of current and future CDBG funds in the amount up to \$700,000 in order to secure a loan for the Curbside Motors project; and,

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAKEWOOD, WASHINGTON HEREBY RESOLVES, as Follows:

Section 1. That the City Manager or designee is authorized to submit a project-specific Section 108 application and Consolidated Annual Action Plan Amendment, to execute a HUD Contract for Loan Guarantee Assistance, Note, other implementing documentation, and take all other necessary acts associated with the U.S. Department of Housing and Urban Development Section 108 Loan up to \$700,000 for the Curbside Motors project located at 9915 -10005 South Tacoma Way.

Section 2. The City Council of the City of Lakewood approves the use of Community Development Block Grant funds as additional collateral to participate in the HUD Section 108 Loan Guarantee Program and authorizes the use of current and future Community Development Block Grant Funds as additional security and loan collateral in order to secure a loan for the Curbside Motors project.

Section 3. That this Resolution shall be in full force and effect upon passage and signatures hereon.

PASSED by the City Council this 19th day of May, 2014.

CITY OF LAKEWOOD

Don Anderson, Mayor

Attest:

Alice M. Bush, MMC, City Clerk

Approved as to Form:

Heidi Wachter, City Attorney