

RESOLUTION NO. 25487

A RESOLUTION AMENDING RESOLUTION NO. 23960 BY CHANGING THE PROPOSED USE OF TEN MILLION DOLLARS (\$10,000,000.00) FINANCING THE SECTION 108 LOAN GUARANTEE AND AUTHORIZING THE MAYOR TO EXECUTE DOCUMENTS RELATING THERETO.

WHEREAS, by Resolution No. 23960 captioned, “A resolution authorizing the Mayor to apply for and accept a 108 loan with the Department of Housing and Urban Development in an amount not to exceed Ten Million Dollars (\$10,000,000.00), relative to the Hope VI Project and establishment of a brownfield revolving loan fund and community development loan fund”;

WHEREAS, on September 29, 2005 the City of Chattanooga received a commitment for guarantee assistance under Section 108 for \$10,000,000.00 as requested of which \$7,700,000.00 was to be used for support of the infrastructure for the Hope VI Project and \$2,300,000.00 to set up a revolving loan fund; and

WHEREAS, the Mayor proposes to change the use of some of these funds as set forth following a public meeting pursuant to the rules and procedures of the Department of Housing and Urban Development;

NOW THEREFORE,

BE IT RESOLVED BY CITY COUNCIL OF THE CITY OF CHATTANOOGA, TENNESSEE, That Resolution No. 23960, captioned as set forth above, be and is hereby amended to provide that the Ten Million Dollars Section 108 Loan Guarantee from the Department of Housing and Urban Development will be used as follows: \$2,252,555.00 to pay

off a Fannie Mae loan used for support of the infrastructure for the Hope VI Project; \$2,300,000.00 to establish a revolving loan fund; and \$5,447,445.00 loan to Chattanooga Electric Power Board to assist in financing the Fiber to Home Project in three CDBG eligible census tracts: Census Tracts 19, 20 and 23.

BE IT FURTHER RESOLVED, That the Mayor is authorized to execute all necessary and advisable documents and agreements relative to the use of these funds.

ADOPTED: April 15, 2008