

RESOLUTION NO. R-18-40

A RESOLUTION AUTHORIZING A REVOLVING LOAN FUND (UDAG) TO 39 N. SOUTH STREET LLC., AND JOHN SCHUM AND JOANN SCHUM; AND DECLARING AN EMERGENCY

WHEREAS, the proposed use of loan funds described in the loan application received from 39 N. South Street LLC., and John Schum and Joann Schum is an eligible activity under the provisions of the City Revolving Loan Fund Plan (UDAG); and

WHEREAS, the loan application of 39 N. South Street LLC., and John Schum and Joann Schum satisfies the requirements set forth in Section (F) of the City Revolving Loan Fund Plan passed by Resolution No. 2338 on September 19, 2013; and

WHEREAS, the City of Wilmington Revolving Loan Fund Review Committee has reviewed the loan application and made their recommendation to the Judiciary Committee of Wilmington City Council;

WHEREAS, the City Council's Judiciary Committee has made its recommendations to City Council as to the loan requested by 39 N. South Street LLC., and John Schum and Joann Schum, and such recommendation has been considered by City Council; and

WHEREAS, the City Council has considered the recommendation from the Judiciary Committee and the current interest rate environment in setting the terms and interest rate of this business improvement loan; and

WHEREAS, the City Council's Judiciary Committee has reviewed the project and intends to approve a Loan and Mortgage Note for applicant, 39 N. South Street LLC., and John Schum and Joann Schum. The amount of said loan valued in the principal amount of \$50,000.00; and

WHEREAS, the City Council preliminarily approves the terms of the loan as follows: Interest on the loan principal shall be charged at a rate of one percent (1.00%) per annum for a term of ten (10) years, with no penalty for early payment with the first payment of interest and principal due beginning with the first quarter after all loan proceeds are distributed.

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF WILMINGTON, STATE OF OHIO:

Section 1. Applicant, 39 N. South Street LLC., and John Schum and Joann Schum, is hereby given approval for a loan in the principal amount of \$50,000.00 after careful consideration of the designated agent's final report and recommendation.

Section 2. That the City Council hereby approves the terms of the loan as follows: Interest on the loan principal shall be charged at a rate of one percent (1.00%) per annum for a term of ten (10) years, with no penalty for early payment.

Section 3. That this Revolving Loan Fund (UDAG) has been reviewed by City Council and is acceptable and that the loan proceeds should be distributed forthwith and in accordance with the terms set forth in this document.

Section 4. That the Mayor is authorized to enter into the loan agreement and to execute all other documents, records, agreements or notes determined to be necessary to properly secure the loan.

Section 5. That this resolution is hereby declared to be an emergency measure necessary to the immediate preservation of the public health, safety and welfare, and accordingly, shall be in full force and effect immediately upon its passage.

Passed this 18th day of October, 2018

Jonathan C. McKee
President of Council *pro tem*

ATTEST:

Maura Miller
Clerk of Council

Approved by me this 18th day of October, 2018.

John M. Stanforth
Mayor