

ORDINANCE NO. C - \_\_\_\_\_

AN ORDINANCE AUTHORIZING AN INTER-AGENCY LOAN FROM THE CITY OF SPOKANE'S SOLID WASTE MANAGEMENT FUND TO THE SPOKANE PARKING PUBLIC DEVELOPMENT AUTHORITY

WHEREAS, the Spokane Parking Public Development Authority (PDA) is a public development authority duly organized and existing under and by virtue of the laws of the State of Washington; and

WHEREAS, pursuant to RCW 35.21.730 through 35.21.755, inclusive, the PDA has the power to operate public parking facilities and to charge parking rates and charges; and

WHEREAS, the PDA's Board of Directors is authorized and empowered by Chapter 39.50 RCW to borrow money in anticipation of the collection of revenues from the operation of the facilities; and

WHEREAS, the PDA has taken possession under a lease agreement of the River Park Square parking garage to provide public parking facility to serve the downtown area;

WHEREAS, the PDA has found it necessary and desirable to borrow an amount not to exceed \$800,000.00 to pay debt service for principal and interest to pay to the U.S. Bank, as trustee, for certain bondholders for bonds issued by the Spokane Downtown Foundation, which amounts must be paid before August 1, 2001 to avoid a default; and

WHEREAS, the PDA has requested the City of Spokane to make such loans or advances available to the PDA; and

WHEREAS, the City Council previously refused on or about April of 2000 to loan funds requested by the PDA pursuant to Ordinance No. C - 31823; and

WHEREAS, this action is separate and distinct and in no manner intended to affirm, deny or define obligations pursuant to Ordinance No. C - 31823; and

WHEREAS, the City of Spokane's Solid Waste Management Fund has money available for a short-term loan;

NOW, THEREFORE, the City of Spokane does ordain that:

- 1) an inter-agency loan from the Solid Waste Management Fund shall be authorized to the PDA in an amount not to exceed \$800,000.00;

- 2) the loan shall bear interest at a rate, to be fixed at the time of the first advance, at the higher of the **eight**-month interest rate for Treasury or Agency Securities;
- 3) the interest shall be computed as simple interest on a daily basis;
- 4) the inter-agency loan, including interest and principal, shall be repaid to the Solid Waste Management Fund by the Spokane Parking Public Development Authority within **eight** months of the date the loan is made available; and
- 5) the PDA shall, prior to the time loan funds are advanced, submit to the City adequate financial assurances to support the repayment of the loan to the City's Solid Waste Management Fund.

Passed by the City Council \_\_\_\_\_, 2001.

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Rob Higgins, Council President

Attest:

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City Clerk

Approved as to form:

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Assistant City Attorney

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Mayor John Powers                      Date