

**CITY OF NORTH BONNEVILLE  
RESOLUTION NUMBER 466**

**A RESOLUTION AUTHORIZING ISSUING GRANT FUNDS TO NORTH BONNEVILLE  
PUBLIC DEVELOPMENT AUTHORITY FOR LICENSING OF RETAIL MARIJUANA  
FACILITY**

**WHEREAS**, the City Council adopted Ordinance No. 1028 establishing the North Bonneville Public Development Authority (“NBPDA” or the “Authority”) under RCW 35.21.730 to seek licensing for a retail marijuana facility pursuant to I-502 and WAC Ch. 314-55, and

**WHEREAS**, the City recognizes that the NBPDA has no direct access to funds to seek the initial license for the facility and the development of a license application will require both direct and indirect costs, estimated to be approximately \$15,000 and

**WHEREAS**, the City is willing to enter into a loan agreement with NBPDA in which the Authority shall borrow City funds and repay them as funds become available through financing, and/or operations, and

**WHEREAS**, the public policy benefit of a NBPDA-operated facility warrants the City authorizing loan funds to the Authority for the purpose of seeking the Washington State Liquor Control Board license, and the Authority has no other access to funds at this time.

**NOW, THEREFORE BE IT RESOLVED** by the City Council of the City of North Bonneville:

The City Council hereby authorizes expenditures not to exceed \$15,000 out of City fund revenue in the form of a loan to the NBPDA pursuant to an Interlocal Agreement, a copy of which is attached as Exhibit “A”, and the Mayor is hereby authorized to enter into an agreement in substantially this form, with changes approved by the City Attorney, with the NBPDA. The funds will be loaned as follows:

**Section 1. Loan from Lodging Tax Fund to NBPDA**

The City Treasurer is hereby authorized and directed to loan Lodging Tax funds to the NBPDA (“Borrower”) in one or more transfers not to exceed the aggregate sum of \$15,000.

The Borrower shall repay the loan to the City on or before December 31, 2015, with interest calculated as follows. The interest shall be set at the time of the loan transfers based on the then current Local Government Investment Pool (“LGIP”) gross earnings rate, which has been 0.25% or lower for the past several years. The interest paid to the City will be the greater of 0.25% or the LGIP interest rate in the event the LGIP rate at such time exceeds 0.25%. Borrower may prepay principal at any time without penalty. Accrued interest allocated to principal payments shall be paid upon payment of principal.

**Section 2.** The City will make funds available to the North Bonneville Public Development from lodging tax revenues; however the City’s general fund will guarantee repayment of lodging tax revenues if that action is necessary to protect the funding source.

The repayment schedule (subject to adjustment in the event of an increase in the LGIP) as follows:

| <u>Interest</u> |             |                  | <u>Interest</u> | <u>Principal</u> |                  | <u>Total</u>   |
|-----------------|-------------|------------------|-----------------|------------------|------------------|----------------|
| <u>Rate</u>     | <u>Year</u> | <u>Beg. Bal.</u> | <u>Paid</u>     | <u>Paid</u>      | <u>End. Bal.</u> | <u>Payment</u> |
| 0.25%           | 2014        | \$15,000.00      | \$26.64         | \$7,500.00       | \$7,509.37       | \$7,526.64     |
| 0.25%           | 2015        | \$7,509.37       | \$23.45         | \$7,500.00       | \$0.00           | \$7,523.45     |
| <b>Totals</b>   |             |                  | \$50.09         | 15,000.00        |                  | 15,050.09      |

**PASSED IN SPECIAL SESSION** this 19<sup>th</sup> day of November, 2013.



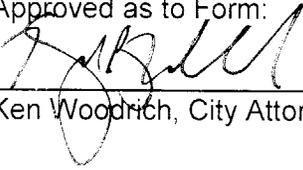
\_\_\_\_\_  
Don Stevens, Mayor

ATTEST:



\_\_\_\_\_  
City Administrator

Approved as to Form:



\_\_\_\_\_  
Ken Woodrich, City Attorney