

RESOLUTION NO. 758

A RESOLUTION AUTHORIZING THE CITY OF SUMTER, SOUTH CAROLINA, TO PARTICIPATE IN THE HUD PUBLIC OFFERING AS PART OF THE SECTION 108 LOAN GUARANTEE ASSISTANCE PROGRAM TO REFINANCE THE EXISTING NOTE OR OTHER OBLIGATION IN THE ORIGINAL PRINCIPAL AMOUNT OF \$843,000, FOR THE DOWNTOWN DEVELOPMENT PROJECT – HAMPTONS RESTAURANT.

WHEREAS, the City of Sumter, South Carolina (the “City”), by Resolution No. 398 adopted April 18, 2006, authorized an application seeking loan guarantee assistance under Section 108 of the Housing and Community Development Act of 1974, as amended, from the United States Department of Housing and Urban Development (“HUD”), and did authorize Mayor and City Clerk of the City to execute the documents necessary to accomplish the transaction, and did accept HUD’s guarantee of Section 108 note number B-01-MC-45-0011 for the Downtown Development Project – Hamptons Restaurant under a Section 108 Contract for Loan Guarantee Assistance dated September 14, 2006;

WHEREAS, the assistance provided by HUD was the guarantee of a note in the original principal amount of \$843,000, plus interest thereon;

WHEREAS, HUD has notified the City that a public offering will occur in February 2019, and to participate the City must immediately notify HUD of its intention to refinance all or a portion of its existing Section 108 commitment through the public offering;

WHEREAS, HUD may require, as a condition of participation in the public offering, that the City execute documents related to the transaction, and whereas the City has previously agreed to pay the City’s share, as determined by HUD, of the customary and usual issuance, underwriting, and other costs related to the public offering and future administration of the Note and the trust certificates; and

WHEREAS, it is economically sound and in the best interest of the City to accept more favorable fixed rates of interest under the Section 108 Loan Guarantee program offered by HUD under the public offering;

NOW THEREFORE BE IT RESOLVED BY the City Council of the City that the City Manager, or his duly authorized agent, shall notify HUD of the City’s desires to participate in the February 2019 public offering by HUD through the loan guarantee assistance program under Section 108 of the Housing and Community Development Act of 1974, as amended, for the existing obligation B-01-MC-45-0011 in the original principal amount of \$843,000, and to refinance the original principal amount of \$843,000 at such rates of interest that will be determined by HUD at the time of the public offering.

BE IT FURTHER RESOLVED HEREBY, that the City Manager and City Clerk of the City are authorized to execute the necessary documents as required by HUD to refinance the existing guaranteed Section 108 Note, and to execute such other documents, contracts, amendments, and agreements with HUD, and to authorize payment of any required fees, as may be necessary to effectuate this refinancing transaction.

This resolution shall be effective from and after the date of its adoption, this 15th day of January 2019.

CITY OF SUMTER, SOUTH CAROLINA

Joseph T. McElveen, Jr., Mayor

Thomas J. Lowery, Mayor Pro Tem

Ione J. Dwyer, Councilwoman

Calvin K. Hastie, Sr., Councilman

David P. Merchant, Councilman

Steven H. Corley, Councilman

Colin C. Davis, Councilman

ATTEST:

Linda D. Hammett, City Clerk