

**RESOLUTION NO. 2023-05**

**A RESOLUTION TO EXTEND FINANCING FOR THE AVONDALE NOTE & LINE OF CREDIT**

**WHEREAS**, the Hamilton County Land Reutilization Corporation (“HCLRC”) Board previously adopted Resolution No. 2022-02 to secure a \$4,000,000 note for the construction of homes in Avondale, with an interest rate of 5% or less, secured by a mortgage lien specific to the property, and a term expiring on or before December 31, 2023; and

**WHEREAS**, the construction term for the 11 homes in Avondale is now scheduled through the year 2024, thus requiring an extension of the original loan termination date; and

**WHEREAS**, the interest rate on the Avondale note is variable and set at a loan rate not to exceed 1 month SOFR (Secured Overnight Financing Rate) plus 3.05% with an interest rate floor of 3.35%; and

**WHEREAS**, the HCLRC Board previously adopted Resolution No. 2022-06 to secure a \$1,750,000 line of credit for the management of cashflow related to County Delinquent Tax and Assessment Collections (“DTAC”) funding with a commitment termination date of July 31, 2023; and

**WHEREAS**, the line of credit will be required annually to manage cashflow related to DTAC funding, thus requiring an annual revolving line of credit to be established; and

**WHEREAS**, Section 1.4 of the HCLRC Code of Regulations authorizes the HCLRC to borrow money for any of its purposes by means of loans, lines of credit, or other financial instruments of securities in accordance with Ohio law; and

**WHEREAS**, in accordance with Section 9.5 of the HCLRC Code of Regulations, no loans shall be contracted on behalf of the HCLRC and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors with such authorization being either general or confined to a specific instance; and

**WHEREAS**, this Board finds it reasonable and necessary to extend financing for the \$4,000,000 Avondale note and \$1,750,000 revolving line of credit.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of the Hamilton County Land Reutilization Corporation:

Section 1. This Board hereby approves the HCLRC to extend financing on the \$4,000,000 Avondale note to December 31, 2024 at a loan rate not to exceed 1 month SOFR (Secured Overnight Financing Rate) plus 3.05% with an interest rate floor of 3.35%. Additionally, this Board approves the HCLRC to extend financing on the \$1,750,000 line of credit on an annual revolving basis, so long as the line of credit has no change in financing terms. All other financing terms previously approved by this Board for the Avondale note and line of credit remain unchanged. The management company is authorized to take all steps necessary to extend such financings.

Section 2. This Board hereby finds and determines that the approvals set forth in Section 1 are necessary to ensure the successful execution of facilitating the reclamation, rehabilitation, and reutilization of vacant, abandoned, tax-delinquent, or other real properties within Hamilton County. Upon successfully obtaining the financing authorized in Section 1, the management company is hereby

authorized to expend all such funds in furtherance of the HCLRC's mission, to the extent the Board has approved the expenditure in an appropriation resolution.


Section 3. This Board finds and determines that all formal actions of this Board concerning and relating to the adoption of this resolution were taken, and that all deliberations of this Board that resulted in such formal actions were held, in meetings open to the public, in compliance with the law.


Section 4. This resolution shall be in full force and effect upon its adoption.

Adopted: April 25, 2023

Yeas: 7

Nays: 0

  
\_\_\_\_\_  
Chairperson

Attest:   
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Secretary