

CITY OF CLARKSTON

ITEM NO: F6

CLARKSTON CITY COUNCIL MEETING

HEARING TYPE:  
Council Meeting

BUSINESS AGENDA / MINUTES

ACTION TYPE:  
Resolution

MEETING DATE: September 5, 2017

**SUBJECT:** Adopt Resolution of the City of Clarkston, Georgia in support of the State Road and Tollway Authority Loan Offer

DEPARTMENT: Administration

PUBLIC HEARING:  YES  NO

ATTACHMENT:  YES  NO  
Pages: 1

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**PURPOSE:** To consider adopting the attached Resolution accepting the terms of a second loan from the Georgia Infrastructure Bank for funding of the Streetscape project.

**NEED/ IMPACT:** The City of Clarkston Streetscape project total cost estimates in March 2017 was \$8,935,866. The City applied to the Georgia Road and Tollway Authority (GRTA) for a second loan from Georgia Transportation Infrastructure Bank (GTIB) in the amount of \$1,700,000 to provide additional funding needed for completing construction of the Streetscape project. The City had already secured the following funding sources for this project:

|                                  |                    |
|----------------------------------|--------------------|
| Existing GTIB Loan               | \$2,000,000        |
| FHWA Grant (2005 Earmark)        | \$3,519,601        |
| ARC-STBG Program Grant           | <u>\$1,716.265</u> |
| Total Previously Secured Funding | \$7,235,866        |

In June 2017, the GRTA approved the City's loan application for additional funding of \$1,700,000. The terms of the new GTIB loan are for a principal amount of \$1,700,000 with a 10 year pay back amortization with an interest rate of 1.90%. Interest will accrue on any draws and compound annually. The City will have a three (3) year Spend Down period to utilize these funds, any accrued interest will either be paid in full or amortized over the term of the loan. A one (1) percent fee (\$17,000) will be required at the closing of the loan.

**RECOMMENDATIONS:** Staff recommends the City Council adopt the attached Resolution to in support of the State Road and Tollway Authority Loan Offer.