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SPECIAL GARIBALDI CITY COUNCIL MEETING

Tuesday, April 11, 2017

Council Chambers, 107 6th Street, Garibaldi, 6:30 P.M.

I. CALL TO ORDER

Council President Eugene Tish called to order the Special City Council meeting at 6:30 p.m. Present were Council members Jordan Grice and Norm Shattuck, and City Manager John O'Leary and Administrative Assistant 2 Kylie Poklikuha. Mayor McCarthy was excused.

II. NEW BUSINESS

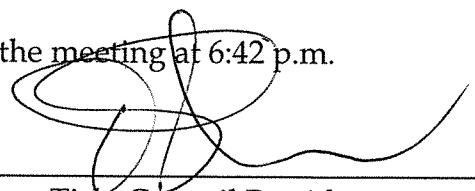
A. Approval of a Resolution Approving a Subordination Agreement for an Installment Payment Agreement for SDC's for Garibaldi Leasing and Development.

O'Leary reported that Garibaldi Leasing and Development (GLAD) was requesting that the city subordinate its System Development Charge Installment Agreement for their development on Arizona Way. O'Leary and Council discussed the terms of the existing agreement and the relevant risks and benefits of subordinating the city's lien on the property to GLAD's primary lender. Cn Tish reviewed the resolution and supporting documents with the council, and commented on the inclusion of a personal guarantee from Ronald and Janet Halter, principal members of GLAD, to pay the SDC's in the event that GLAD defaults on their installment agreement. Cn Tish noted that the personal guarantee agreement is based on the liquid assets of the Halter's, which are three times the coverage ratio of the SDC debt, and that the combination of these agreements creates a measurable standard for any future agreements to subordinate. Cn Tish also noted that this presents a low financial risk to the city, is beneficial to the community, and meets the council's goal to facilitate and encourage responsible and positive economic development. Cn Tish thanked staff for working to keep GLAD's project moving forward, protecting the city's interest and providing the flexibility to keep the growing the economic base of our community.

**MOTION Made by Cn Shattuck to approve the resolution presented.
Seconded by Cn Grice. AYES: Grice, Tish, Shattuck. NAYS: None.
MOTION PASSED.**

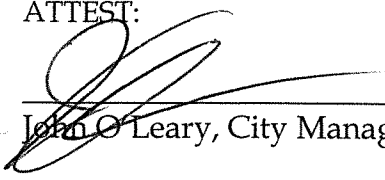
III. ADJOURNMENT

Council President Eugene Tish adjourned the meeting at 6:42 p.m.



Eugene Tish, Council President

ATTEST:



John O'Leary, City Manager