

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE COUNCIL OF THE CITY OF  
FRESNO, CALIFORNIA, APPROVING AN INTERFUND  
LOAN AGREEMENT BETWEEN THE GENERAL FUND  
AND BROWNFIELDS REVOLVING LOAN FUND

WHEREAS, on December 3, 2009, the Council adopted the Taxpayer Protection Act, amended February 10, 2010, which provides in Article IV that borrowing between City funds requires a loan agreement with interest paid at the current investment pool rate and with a maximum repayment term of five years; and

WHEREAS, the City of Fresno on March 31, 2011, adopted the Reserve Management Act, which provides in Article VI that loans between the General Fund and another City fund require a loan agreement that shall be approved by majority vote of the Council; and

WHEREAS, Council now wishes to authorize an interfund loan for the demolition of 735-741 H Street. As required by the Environmental Protection Agency Brownfields Grant number 98T08001.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Fresno as follows:

1. The Council approves the Interfund Loan Agreement attached in the form attached hereto as Exhibit A.
2. The Controller is authorized and directed to take all necessary actions to implement the Interfund Loan Agreement.
3. This resolution shall be effective upon final approval.

1 of 2

Date Adopted:

Date Approved:

Effective Date:

City Attorney Approval:



Resolution No.

STATE OF CALIFORNIA )  
COUNTY OF FRESNO ) ss.  
CITY OF FRESNO )

I, TODD STERMER, City Clerk of the City of Fresno, certify that the foregoing resolution was adopted by the Council of the City of Fresno, at a regular meeting held on the \_\_\_\_\_ day of \_\_\_\_\_, 2023.

AYES :  
NOES :  
ABSENT :  
ABSTAIN :

Mayor Approval: \_\_\_\_\_, 2023  
Mayor Approval/No Return: \_\_\_\_\_, 2023  
Mayor Veto: \_\_\_\_\_, 2023  
Council Override Vote: \_\_\_\_\_, 2023

TODD STERMER, CMC  
City Clerk

By: \_\_\_\_\_

Deputy

APPROVED AS TO FORM:  
ANDREW JANZ  
City Attorney

By: \_\_\_\_\_  
Brandon M. Collet                      Date  
Supervising Deputy City Attorney

Attachment:  
Exhibit A – Interfund Loan Agreement

## INTERFUND LOAN AGREEMENT

This Loan Agreement (Agreement) is executed as of October 19, 2023 (Effective Date), between the City of Fresno, EPA Brownfields Revolving Loan Grant (Fund No. \_\_\_\_ ) (Lender) and the City of Fresno General Fund (Fund No. \_\_\_\_ ) (Borrower). Lender agrees to lend to Borrower, and Borrower agrees to repay Lender, an amount not to exceed the Principal Amount and interest accrued on the unpaid loan balance, in accordance with the following:

1. **Purpose of the Loan:** To provide funds for use by the Borrower or its designee to Demolish the City owned building located at 735-741 H Street, Fresno CA 93721 – Parcel Number 467-040-23. This loan is required by the Environmental Protection Agency when using the Brownfields Revolving Loan Fund. Grant number 98T08001 awarded to the City of Fresno on August 18, 2020.
2. **Principal Loan Amount:** Not to exceed \$539,972.00. The loan will be recorded as receivable to the Lender and payable to the Borrower.
3. **Term of the Loan:** The term of this loan shall begin on the Effective Date and shall be repaid in full as of October 19, 2028.
4. **Scheduled Payments.** Borrower shall make payments against principal and interest twice a year on \_\_\_\_\_ and \_\_\_\_\_. Each payment shall be credited first to interest then due, and then to principal. Immediately after that, interest will cease on the principal so credited.
5. **Rate of Interest.** Any interest not paid when due shall bear interest from its due date at the rate specified; provided, however, that in no event shall the interest rate, as calculated and accrued, exceed the maximum legal rate applicable to loans by public entities to public agencies in similar transactions. The interest rate shall be a rate equal to the City's Pooled Investment Rate, fixed monthly, calculated and accrued in the same manner that the City would otherwise earn interest on the funds if deposited and earning interest as a pooled investment. The rate for August 2023 was 2.6%. Loan interest will be recorded as revenue to the Lender and expenditure to the Borrower.
6. **General Provisions.** This Agreement constitutes the full Agreement by and between the parties and no other representations have been made regarding the contents of this Agreement. This Agreement shall not be amended, modified, or altered in any respect unless such amendment, modification, or alteration has been reduced to writing and executed by both parties.

LENDER

BORROWER

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Georgeanne A. White, City Manager  
City of Fresno

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