

ORDINANCE No. 523

AN ORDINANCE AMENDING TITLE 8 OF THE 2020 REVISED ORDINANCES OF THE CITY OF HILLSBORO.

WHEREAS, the City of Hillsboro has adopted a home rule charter in accordance with Chapter 40.05.1 of the North Dakota Century Code; and,

WHEREAS, Section 40-05.1-06 of the North Dakota Century Code provides that the City shall have the right to implement home rule powers by ordinance; and,

WHEREAS, Section j. of Article III of the City of Hillsboro's home rule charter allows the City to engage in any utility, business or enterprise permitted by the constitution or not prohibited by statute; and,

WHEREAS, the City believes that economic development is a public purpose that promotes the general welfare of all of the City's residents;

WHEREAS, the City desires to encourage economic development by providing community buydown funding for flex PACE loan programs to encourage business development, expansion, and retention in the City; and,

WHEREAS, the City Commission of the City of Hillsboro deems it necessary and appropriate to implement its home rule charter authority by the adoption of this ordinance;

NOW, THEREFORE,

Be it ordained by the City Commission of the City of Hillsboro, State of North Dakota:

Title 8 of the 2020 Revised Ordinances of the City of Hillsboro is hereby amended to read as follows:

CHAPTER 8.11

PUBLIC PURPOSE SPENDING

SECTIONS:

8.1101 Community Buydown Loan for Evans Properties LLC Flex PACE Loan

8.1101 Community Buydown Loan for Sundae Brew Flex PACE Loan

1. To encourage economic development in the City, the City may provide a community buydown loan for a Bank of North Dakota Flex PACE loan to Evans Properties LLC. The City and its staff or agents are authorized to sign and complete all documents required by the Bank of North Dakota to complete the community buydown loan.
2. The total amount of the community buydown loan shall not exceed \$10,248.06.
3. The funds from the Flex PACE loan must be used to purchase real property, equipment, or working capital items that will either aid in the development or retention of a business in the City. The borrowers must comply with all requirements of the Bank of North Dakota Flex PACE Program. The funds from the City's community buydown loan shall be used to pay thirty percent (30%) of the interest on the Flex PACE loan from the Bank of North Dakota.
4. If there is a default by the borrower in the terms of the Flex PACE loan note or other agreement, the City reserves the right to cease payments of the community buydown loan until the default is cured.



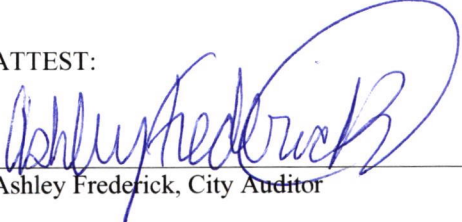
5. Repayment of the community buydown loan shall not commence until the Flex PACE interests buydown has been fully expended, consisting of one hundred twenty (120) monthly payments. Interest at the rate of 1% shall begin accruing on the community buydown loan balance after the interest buydown has been fully expended. Starting with the eleventh (11th) year, the loan shall be repaid to the City in twelve (12) equal monthly installments.

6. Upon default of the repayment of the community buydown loan, the City may declare the entire unpaid principal balance due and all accrued unpaid interest immediately due. The City shall have all remedies available at law or at equity too collect on the outstanding amount. The borrower shall pay, subject to any limits under applicable law, all costs, attorneys' fees, and expenses of any nature incurred by the City in any way in connection with the enforcement of the City's rights, whether incurred before or during n litigation, in an appeal, or through enforcement of a judgment.

Terry Sando

Terry Sando, President of Board of City
Commissioners

ATTEST:



Ashley Frederick, City Auditor

First Reading Date: June 7, 2021
Second and Final Reading: June 21, 2021

