

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

WHEREAS, CITY OF LEXINGTON is submitting an application for a \$300,000 Rural Economic Development Grant which will establish a revolving loan fund for the purpose of sustaining rural economic development and job creation projects; and

WHEREAS, CITY OF LEXINGTON is committing \$60,000 from its economic development funds to meet the matching dollar requirements for creating a revolving loan fund, and these matching funds will remain in the newly created revolving loan fund; and

WHEREAS, the Community Development Agency of Lexington, Nebraska is the recipient for the initial 0% interest loan for ten years, and with a deferred initial payment, for the purchase of an industrial building to be marketed as a speculative building to attract new jobs and investment to Lexington, Nebraska; and

WHEREAS, CITY OF LEXINGTON is an eligible Rural Utility Service borrower and is therefore eligible to participate in the Rural Economic Development Grant & Loan Program and has legal authority under its Charter to enter into a grant agreement in accordance with the provisions of 7 CFR Part 4280.

NOW, THEREFORE BE IT RESOLVED, that the City Council agrees to the provisions of the USDA regulations including all subparts of the Grant agreement and authorizes the City Manager to represent the city on all commitments and management of the application;

BE IT FURTHER RESOLVED, that the City Council does hereby certify that the project does not violate 4280.27 regarding ineligible purposes and 4280.30 regarding restrictions on the uses of REDG and REDL funds of 7 CFR Part 4280 and that there is not conflict of interest, potential conflict of interest, or appearance of a conflict of interest known by the City of Lexington; and,

BE IT FURTHER RESOLVED, that the City Manager and/or City Treasurer be empowered and authorized to requisition grant funds under the program; and,

BE IT FURTHER RESOLVED, that the City Manager be authorized to execute and deliver on behalf of the City of Lexington the certification Form AD-109, regarding a drug-free workplace program; and

BE IT FURTHER RESOLVED, that the appropriate staff be authorized and directed to prepare and execute the necessary documents and certifications in order to carry out the intent of this resolution, subject to review and approval of Rural Business and Cooperative Development Service loan documents by the City of Lexington or its agent, and further subject to other governing documents deemed necessary by the City of Lexington or its agent at their sole discretion, with such documents prepared by counsel.

BE IT FURTHER RESOLVED, that the CITY OF LEXINGTON City Council hereby adopts the proposed City of Lexington Rural Development Plan and Scope of Work;

PASSED AND APPROVED this 14<sup>th</sup> day of February, 2012.

CITY OF LEXINGTON, NEBRASKA

ATTEST:

BY:

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Mayor

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City Clerk