

PORT OF OLYMPIA COMMISSION
Resolution 2006-10

A resolution of the Port of Olympia Commission authorizing and directing the Executive Director to execute on behalf of the Port an agreement between the Washington State Community Economic Revitalization Board and the Port of Olympia for aid in financing the costs of public facilities consisting of construction of water and sewer line extensions, an off-site stormwater gallery and lift station, and road improvements which are necessary for the expansion of the Cardinal Glass production facility in the Port of Olympia NewMarket Industrial Park.

WHEREAS, the Community Economic Revitalization Board (CERB) of the State of Washington Department of Community, Trade and Economic Development awards loans and grants to assist in financing the costs of public facilities that are required by industrial sector businesses that will create and or retain jobs; and

WHEREAS, Cardinal Glass Company, a glass manufacturing and coating business located in Thurston County, intends to substantially expand their operations in the county, and are taking significant risks and making a major financial investment to bring the business to Thurston County, but only if they have Port of Olympia's cooperation and financial investment including CERB funds, to create the necessary infrastructure including stormwater management improvements to support the planned expansion; and

WHEREAS, the Port of Olympia Commissioners believe that the expansion by Cardinal Glass Company will strengthen the economy of Thurston County and will create long-term well paying manufacturing jobs for residents of the county,

WHEREAS, the Port of Olympia Commission authorized staff to submit an application to the Community Economic Revitalization Board for a loan of \$750,000 and a grant of \$250,000 for funds to construct infrastructure improvements including stormwater management system which are necessary for the expansion of the Cardinal Glass production facility in Thurston County,

WHEREAS, the Port of Olympia was awarded a \$1,000,000 loan from the Community Economic Revitalization Board (CERB) for the above-described public facilities,

NOW THEREFORE be it resolved by the Commission of the Port of Olympia as follows:

1. The Executive Director of the Port of Olympia is hereby authorized and directed to execute, on behalf of the Port of Olympia, a Final Contract between the Community Economic Revitalization Board and the Port of Olympia and such other documents as may be required for securing aid in financing the cost of the above-described public facilities.
2. The Port of Olympia has accepted the loan from the Community Economic Revitalization Board in the amount of \$1,000,000, said loan to bear interest at the rate of 1.0% per annum.

Repayment of said \$1,000,000 general obligation loan shall be in accordance with the provisions of Article 8 of the General and Special Conditions to the Final Contract and more particularly as follows:

- A term of 20 years, including 2 years of deferred principal and interest. Interest on the loan shall accrue during the deferral period. Commencing in year three, the first payment after the deferral period shall consist of interest only, and include all deferred interest. Commencing in year four, 1/17 of the loan principal plus interest on the unpaid balance of the loan shall be due

annually. Such principal and interest payments shall be due in years four (4) through twenty (20).

- If the first disbursement is between January 1 and June 30, repayment will begin July 1 following the first anniversary of the first disbursement of funds.
- If the first disbursement is between July 1 and December 31, repayment will begin January 1 following the first anniversary of the first disbursement of funds.

The Port of Olympia reserves the right to accelerate payments on principal and eliminate the interest on any accelerated principal payments, without any fee or penalty to the Port of Olympia.

This obligation shall be considered as a legal general obligation of the Port of Olympia and the Port of Olympia hereby pledges its full faith and credit to the payment thereof.

3. The Port of Olympia shall establish a separate fund to be known as the Community Economic Revitalization Board (CERB) Fund. Establishment of this fund applies to CERB grants and loans. In the case of a loan, there shall be sufficient moneys placed in this fund to meet the above-detailed repayment schedule. The source of payment is Cardinal Glass Company, under the terms and conditions outlined in an amendment to their lease.

ADOPTED by the Port Commission of the Port of Olympia this 12th day of June 2006.

PORT OF OLYMPIA COMMISSION

President

Vice President

Secretary-Treasurer