

**CITY OF GAUTIER
MEMORANDUM**

To: Samantha Abell, City Manager
From: Patty Huffman, Grants & Projects Manager
Through: Eric Meyer, Economic Development and Planning Director
Date: August 13, 2012
Subject: Authorization to enter into a CAP loan agreement for capital improvements

REQUEST:

The Economic Development and Planning Department requests City Council authorization and approval for the City of Gautier to enter into a Capital Improvements Revolving Loan Program (CAP) agreement with the Mississippi Development Authority (MDA) for the purpose of completing capital improvements. The principal amount of the loan will not exceed One Million Dollars (\$1,000,000.00).

BACKGROUND:

The capital improvements identified for this loan include the improvement of an existing roadway and construction of a new access road at Interstate 10 and Mississippi Highway 57 in Gautier, Mississippi. This will include promenade enhancements on Allen Road.

The CAP Loan Program requires that four public notices be issued prior to loan closing to allow sufficient time for public comments. The appropriate public notice was published in *The Mississippi Press* on July 26, 2012, August 2, 2012, August 9, 2012, and August 16, 2012 as required.

RECOMMENDATION:

Having published the CAP Loan Program Public Notice as required, City staff recommends that City Council approve the authorization of the above CAP loan agreement for up to One Million Dollars for the capital improvements described.

The City Council may:

1. Authorize and approve entering into a CAP loan agreement as presented; or
2. Authorize and approve entering into a CAP loan agreement with changes; or
3. Disapprove entering into the CAP loan agreement as presented.

ATTACHMENT(S):

CAP Loan Program Public Notice Form

CAP LOAN PROGRAM

Public Notice

The Mayor and Council acting for and on behalf of the City of Gautier, Mississippi (*the "City"*) took up for consideration the matter of authorizing and approving a loan on behalf of the City from the Mississippi Development Authority (the "Department") for the purpose of completing capital improvements identified as:

Improvement of an existing roadway and construction of a new access road at Interstate 10 and Mississippi Highway 57 in Gautier, MS

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY, AS FOLLOWS:

Section 1. The Governing Body of the City does hereby declare its intention to enter into a loan agreement with the Department in the principal amount not to exceed One Million Dollars (\$1,000,000) for the purpose of completing the capital improvements identified above.

Section 2. The Loan will be secured by a Note executed and delivered by the City to the Department. Failure of the City to meet its repayment obligations shall result in the forfeiture of sales tax allocation or homestead exemption reimbursement in an amount sufficient to repay obligations due until such time as the indebtedness has been discharged or arrangements to discharge such indebtedness satisfactory to the Department have been made.

Section 3. The Governing Body proposes to authorize and approve the Loan from the Department in the amount and for the aforesaid purposes at a meeting of the Governing Body to be held at its regular meeting place at City Hall, 3330 Highway 90, Gautier, Mississippi at 6:30 p.m. on the 21st day of August 2012, or at some meeting held subsequent thereto. This date assigned to authorize and approve the aforementioned loan documents has been set to meet program requirements which mandate that four public notices be issued prior to loan closing. This will allow sufficient time for public comments.

The motion having received the foregoing vote of the Governing Body, the Mayor declared the motion carried and the Resolution adopted, on this the 19th day of June, 2012.

Tommy Fortenberry, Mayor
City of Gautier, Mississippi

(SEAL)

CITY CLERK

Published on July 26, 2012
August 2, 2012
August 9, 2012
and August 16, 2012
in the *Mississippi Press*

Send Invoice and Proof of Publication to:

City Clerk
City of Gautier
3330 Highway 90
Gautier, MS 39553

Send additional Proof of Publication to:

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