

CITY COUNCIL MEETING

AGENDA ITEM VIII



CITY OF FRANKLIN
COUNCIL AGENDA REPORT

April 25, 2014

From: Judie Milner, Finance Director

Subject: Bessie Rowell Community Center – Tiny Twisters, Head Start and TRIP Center Full Faith & Credit Pledge

Suggested Motion:

May 5, 2014

Councilor moves, ***“I move that the Franklin City Council authorize the Mayor to sign resolution 11-14 Full Faith and Credit Pledge regarding the Tiny Twisters, Head Start and TRIP Center CDBG grant projects at the Bessie Rowell Community Center.”***

Discussion:

This resolution updates resolution 03-13 adopted 8/6/13 to include the TRIP Center Community Development Block Grant. As you know, these grants are for low and moderate income persons and therefore the funds used to renovate their space must benefit people who are in the low to moderate income category for the next 20 years. This is not a difficult task to accomplish given the needs of the community if any of the organizations were to move out of the building during that time frame. Typically CDBG places a performance lien on the building but instead Attorney Fitzgerald was able to negotiate the attached full faith and credit pledge (which he drafted). CDBG has approved this document and with your final approval we will be able to begin requesting reimbursement from the grant for funds paid out to date on the TRIP Center project.



CITY OF FRANKLIN, NEW HAMPSHIRE

"The Three Rivers City"

316 Central Street
Franklin, NH 03235

(603) 934-3900
fax (603) 934-7413
cityhall@franklinnh.org

**CITY OF FRANKLIN
RESOLUTION #11-14
FULL FAITH AND CREDIT PLEDGE**

WHEREAS, the City of Franklin is the recipient of certain funds designated for the Tiny Twisters Child Care Center and the Head Start program and the BM-CAP TRIP Center bearing grant numbers 14-9-012-33110- 414 and 12-154-CDPF and 13-154-CDPF, respectively, and:

WHEREAS, the City has entered into certain contractual obligations and assurances in exchange for the receipt of the referenced funds including but not limited to commitments to continue to own and manage certain real property located within the City of Franklin for the benefit of Tiny Twisters, Head Start and TRIP Center for a specified period of time;

NOW, WHEREFORE, the City of Franklin, by and through its City Council does hereby commit its full faith and credit and pledges its unencumbered assets, as they may exist and change from time to time, as a financial guarantee for the performance of the above referenced covenants and assurances.

This pledge is given in consideration of a \$238,957 CDBG for the Tiny Twister Renovation/Relocation AND a \$350,000 CDBG for the Headstart Renovation/Relocation AND a \$413,938 CDBG for the TRIP Center Renovation/Relocation, for a total of \$1,002,895 in CDBG funding.

A condition of the CDBG funds is that the renovated areas financed with CDBG funds service primarily low and moderate income persons for a minimum of 20 years. The City agrees to notify CDFA whenever there is a change of tenancy in the Bessie Rowell Building in the areas renovated with CDBG funds until December 31, 2034. If a change in tenancy results in a tenant that does not serve primarily low and moderate income persons, the City will be required to re-pay a prorated (decrease of 5% per year of the CDBG funds granted for that portion of the facility) amount of the CDBG funds.

This resolution was approved by the Franklin City Council on the 5th day of May, 2014.

Approved: _____
Mayor

Passed: _____

I certify that said vote has not been amended or repealed and remains in full force and effect as of the date of this Certification and that Holly Burbank is the City Clerk for the City of Franklin, Franklin, New Hampshire.

A true copy, attested: _____
Holly Burbank, City Clerk

Date