

RESOLUTION NO. _____

DATE _____

RESOLUTION OF THE SALT LAKE COUNTY COUNCIL APPROVING A
TERM SHEET WITH SHELTER THE HOMELESS TO FINANCE
COMPLETION OF THREE HOMELESS RESOURCE CENTERS AND
DELEGATION OF AUTHORITY TO THE MAYOR TO NEGOTIATE,
DRAFT AND EXECUTE DEFINITIVE DOCUMENTS IN ACCORDANCE
WITH THE TERM SHEET AND LEGISLATIVE INTENT

RECITALS

- A. WHEREAS, Shelter the Homeless (“STH”) has requested County provide it a bridge loan of up to \$21,000,000 (“Bridge Loan”) to complete construction on three homeless resource centers (“Projects”) located in County; and
- B. WHEREAS, completion of these resource centers will contribute to the health, safety and welfare of County residents; and
- C. WHEREAS, STH intends to continue fund raising with the intention of repaying County as soon as possible; and
- D. WHEREAS, County intends to issue Series 2019 Sales Tax Bonds before December 31, 2019 to fund the Bridge Loan;
- E. WHEREAS, County and STH have prepared the attached Term Sheet outlining how they will work together to implement the financing and complete construction of the Projects; and

County and STH have prepared the attached Term Sheet outlining how they will work together to implement the financing and construction of the Project.

NOW, THEREFORE, IT IS HEREBY RESOLVED by the Salt Lake County Council that the County’s bridge loan financing will facilitate completion of these resource centers and contribute to the health, safety and welfare of County residents. Therefore, the attached Term Sheet is hereby approved. The Mayor is hereby authorized to execute the original of said authorized and approved Term Sheet, a copy of which is attached as Exhibit 1, and by this reference made a part of this Resolution.

IT IS FURTHER RESOLVED by the Salt Lake County Council that Mayor is hereby authorized to negotiate, draft and execute the Definitive Documents contemplated in the Term Sheet so long as the Definitive Documents meet the conditions outlined in the Term Sheet and the Council legislative intent, attached as Exhibit 2.

[Signature Lines to Follow]

APPROVED and ADOPTED this _____ day of _____, 2019.

SALT LAKE COUNTY COUNCIL

By: _____
Richard Snelgrove, Chair

ATTEST:

Sherrie Swensen
Salt Lake County Clerk

- Council Member Bradley voting _____
- Council Member Bradshaw voting _____
- Council Member Burdick voting _____
- Council Member DeBry voting _____
- Council Member Ghorbani voting _____
- Council Member Granato voting _____
- Council Member Jensen voting _____
- Council Member Snelgrove voting _____
- Council Member Winder Newton voting _____

Approved as to Form

Craig Wangsgard
Craig Wangsgard, August 9, 2019
Deputy District Attorney

Exhibit 1

Exhibit 2

Legislative Intent for 2019

1. Bridge Loan Financing for Shelter the Homeless.

Prior to the transfer of up to \$21 million in capital project financing to Shelter the Homeless (STH) for resource center projects, it is the intent of the Council that the Mayor and staff will:

- 1) Update the financial information regarding the three projects to reflect changes in the revenue and expenses that have occurred since 14 June 2019. And perform all necessary due diligence regarding the hard costs of constructing three new homeless resource centers including a review of the financial system used to track invoices and payments.
- 2) Perform due diligence regarding all revenue secured by STH for construction of three new homeless resource centers including a more detailed understanding of the nearly \$5 million in contributions due later this year. Fashion a reconciliation process to offset the needed amount of the County's sales tax bond by recognizing donations received prior to the bond's issuance OR create an escrow account that would accumulate donations and dedicate the amounts received and interest earned toward the annual bond payments
- 3) Create a contract, subject to Council review and approved by the Shelter the Homeless Board of Directors, that:
 - Identifies assets owned by Shelter the Homeless that they are willing to pledge as collateral for the bond. The assets must have clean unencumbered titles and an actual cost that exceeds \$25 million OR should the bond amount be less than \$21 million, an actual cost that is twenty percent higher than the outstanding bond amount.
 - Create a payment schedule that details annual payments (principal, interest and any associated fees) and the dates they will be paid by Shelter the Homeless to finance the up to \$21 million in capital funding provided by the county.

- Added July 16, 2019