

## **RESOLUTION NO. 22 (2023)**

### **RESOLUTIONS AUTHORIZING A CERTIFICATE OF DEPOSIT WITH BANK OF COLORADO AND THE USE OF THE CERTIFICATE OF DEPOSIT AS COLLATERAL FOR A LINE OF CREDIT TO FUND THE CRAIG HOUSING AUTHORITY'S 8TH STREET PROJECT**

WHEREAS, Section 10 of Article VII of the Home Rule Charter for the City of Craig, Colorado ("Charter") allows the City of Craig ("City") to deposit the cash balance of the City "in such banks and with such surety as the Council by resolution shall determine[]";

WHEREAS, by Resolution No. 15 (2022), the City Council found "a lack of safe or sanitary dwelling accommodation in the City available to the inhabitants [of the City]";

WHEREAS, Colorado law permits appropriations that further a valid public purpose;

WHEREAS, Colorado law declares that "providing of safe and sanitary dwelling accommodations on such financial terms that enable persons who now live in unsafe or unsanitary dwellings accommodations or in overcrowded and congested dwelling accommodations to afford to live in safe and sanitary or uncongested dwelling accommodations are public uses and purposes for which public money may be spent . . . .";

WHEREAS, the City Council desires to support the Craig Housing Authority ("CHA"), a body corporate and politic, with its redevelopment of 1.55 acres addressed as 785 Russell Street in Craig into twenty affordable housing units known as the 8th Street Development ("Project"); and

WHEREAS, to provide construction financing for the Project, the City desires to deposit \$2,000,000 with the Bank of Colorado in the form of a certificate of deposit, which certificate of deposit will serve as collateral for a \$2,000,000 line of credit from the Bank of Colorado to CHA.

### **NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF CRAIG, COLORADO THAT:**

**Section 1. Findings.** The City Council hereby finds and determines that the Project constitutes a public use and purpose.

**Section 2. Resolutions.** The City Council hereby resolves and approves the deposit of \$2,000,000 of the City's cash balance in the form of an interest-bearing certificate of deposit with the Bank of Colorado and the use of the certificate of deposit as collateral for a loan to CHA to finance construction of the Project.

**Section 3. Authorization.** The City Council hereby authorizes the City Manager to negotiate, execute, and deliver the agreements with Bank of Colorado and other documents necessary to effectuate these resolutions on behalf of the City Council.

DULY MOVED, SECONDED AND ADOPTED THIS 24<sup>TH</sup> DAY OF OCTOBER 2023.

CITY COUNCIL OF THE CITY OF  
CRAIG, COLORADO

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Derek Duran, Mayor

ATTEST:

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Liz White, City Clerk

Votes in favor: \_\_\_\_

Votes opposed: \_\_\_\_

Abstained: \_\_\_\_