

AN ORDINANCE OF THE CITY COUNCIL AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO A DIRECT LOAN AGREEMENT AND PROMISSORY NOTE WITH MISSOURI TRANSPORTATION FINANCE CORPORATION FOR \$4.2 MILLION IN FUNDS TO BE USED TOWARD THE HIGHWAY MM EXPANSION

WHEREAS, the City of Republic, Missouri (“City” or “Republic”) is a municipal corporation and Charter City located in Greene County, Missouri, being duly created, organized, and existing under the laws of the State of Missouri; and

WHEREAS, the City previously applied for and received a cost share allocation from the Missouri Department of Transportation (“MoDOT”) for approximately \$6 million dollars to be used toward the expansion of Highway MM between the Interstate-44 Interchange and the Route 360 (James River Freeway) Interchange;

WHEREAS in correlation with the MoDot cost share allocation and corresponding Cost Share Economic Development Agreement between the City and MoDot, the City was approved for a Missouri Transportation Finance Corporation (“MTFC”) Loan in the amount of \$4.2 million dollars to be used directly toward the City’s share of the costs for the Highway MM expansion (which includes improvements to the intersection of Highway MM and James River Freeway); and

WHEREAS, MTFC has proposed a Missouri Transportation Finance Corporation Direct Loan Agreement and Promissory Note (“Agreement”) for the City to execute in exchange for the loan proceeds, pursuant to which the City will be required to repay the principal amount plus accrued interest at 1.4% per annum, in yearly installments beginning on April 15, 2023 and ending on April 15, 2032; and

WHEREAS, the MTFC Loan does not impact the anticipated overall cost of the improvements to the City’s local street fund, which remains approximately \$300,000; and

WHEREAS, the expansion and realignment of Highway MM is expected to benefit citizens and guests of the City by enhancing safety, providing alternative modes of transportation, and adding capacity to a rural route that is rapidly becoming a regional economic hub; and

WHEREAS, the City Council finds that participating in loan opportunities such as the MTFC Loan will result in beneficial savings to the City while also increasing safety and security for the City’s citizens and guests.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF REPUBLIC, MISSOURI, AS FOLLOWS:

- Section 1:** The City Administrator or his/her designee, on behalf of the City, is authorized to enter into the Agreement attached to this Ordinance as Exhibit 1, or an agreement in substantially the same form as Exhibit 1.
- Section 2:** The City Administrator or his/her designee, on behalf of the City, is authorized to take the necessary steps to execute this Ordinance.
- Section 3:** The WHEREAS clauses above are specifically incorporated herein by reference.

Section 4: This Ordinance shall take effect and be in force from and after its passage as provided by law.

Section 5: The provisions of this Ordinance are severable, and if any provision hereof is declared invalid, unconstitutional, or unenforceable, such determination shall not affect the validity of the remainder of this Ordinance.

PASSED AND APPROVED at a regular meeting of the City Council of the City of Republic, Missouri, this _____ day of _____, 2022.

Attest:

Matt Russell, Mayor

Laura Burbridge, City Clerk

Approved as to Form:



Megan McCullough, City Attorney

Final Passage and Vote: