



**THE COUNCIL OF THE CITY OF BINGHAMTON
STATE OF NEW YORK**

Date: March 20, 2013

Sponsored by Council Members: Webb, Motsavage, Matzo, Rennia, Mihalko, Berg, Papastrat

Introduced by Committee: Finance

RESOLUTION

entitled

A RESOLUTION PLEDGING THE FULL FAITH
AND CREDIT OF THE CITY OF BINGHAMTON
TO PAY THE REMAINING PRINCIPAL
BALANCE OF \$953,625.00 AND INTEREST
FOR NOTE B-82-MC-36-0101 TO THE U.S.
DEPARTMENT OF HOUSING AND URBAN
DEVELOPMENT OR ITS FISCAL AGENT

WHEREAS, the City of Binghamton is the Borrower pursuant to a Contract for Loan Guarantee Assistance Under Section 108 of the Housing and Community Development Act of 1974 (Public Law 93-383), together with numerous loan Contracts and Notes, and amendments thereto, under Note No. B-82-MC-36-0101 from the U.S. Department of Housing and Urban Development ("HUD") for development of the Regency Hotel; and

WHEREAS, in addition to the Borrower's obligation to pay the loan, collateral for the loan includes "All allocations or grants which have been made or for which the Borrower may become eligible under Section 106 of the Act, as well as any grants which are or may become available to the Borrower pursuant to Section 108(q)"; "Program income, as defined at 24 CFR 570.500(a)(or any successor regulation), directly generated from the use of the Guaranteed Loan Funds"; and the real property and improvements comprising the Regency Hotel; and

WHEREAS, after application of all program income and proceeds of sale from the Regency Hotel there will be a balance due and owing of \$953,625.00 under Note B-82-MC-36-0101 on August 1, 2014; and

WHEREAS, in lieu of deducting such balance due and owing from the City's allocation or grants under Section 106 of the Act, as well as any grants which are or may become available to the Borrower pursuant to Section 108(q), the City has requested an opportunity to pay the balance due and owing to HUD or its Fiscal Agent in installments for up to ten (10) years starting on August 1, 2014; and

WHEREAS, in support of the City's request to extend payment of the a balance due and owing over a ten (10) year period, the Council of the City of Binghamton wishes to confirm the debt and to Pledge the Full Faith and Credit of the City to pay the a balance due and owing.

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NOW, THEREFORE, the Council of the City of Binghamton, duly convened in regular session, does hereby:

RESOLVE that the Council of the City of Binghamton hereby confirms (i) on August 1, 2014 there will be a balance due and owing of \$953,625.00 and interest under Note B-82-MC-36-0101; (ii) the City of Binghamton is responsible to pay this debt; and (iii) the Council of the City of Binghamton hereby Pledges the Full Faith and Credit of the City of Binghamton to pay the balance due and owing to HUD or its Fiscal Agent; and be it further RESOLVED that to protect the City's allocation or grants under Section 106 of the Act, as well as any grants which are or may become available to the Borrower pursuant to Section 108(q), the City requests an opportunity to pay the balance to HUD or its Fiscal Agent in installments for up to ten (10) years starting on August 1, 2014.

I hereby certify the above to be a true copy
of the legislation adopted by the Council
of the City of Binghamton at a meeting
held on 3/20/13. Approved by the
Mayor on 3/21/13.



Introductory No. R13-31

Permanent No. R13-31

Sponsored by City Council Members:
Webb, Motsavage, Matzo, Rennia, Mihalko, Berg,
Papastrat

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NOTE B-82-MC-36-0101 TO THE U.S.
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DEVELOPMENT OR ITS FISCAL AGENT

The within Resolution was adopted by the Council of
the City of Binghamton.

MARCH 20, 2013
Date
Edugda Werner
City Clerk

MARCH 21, 2013
Date Presented to Mayor

3/21/13
Date Approved
Matthew TR
Mayor

	Ayes	Nays	Abstain	Absent
Motsavage	✓			
Mihalko	✓			
Rennia	✓			
Webb	✓			
Papastrat	✓			
Matzo	✓			
Berg				✓
Total	6	0	0	1

Code of the City of Binghamton

Adopted Defeated

6 Ayes 0 Nays 0 Abstain 1 Absent