

RESOLUTION NO. RA97-01

A RESOLUTION OF THE PASO ROBLES REDEVELOPMENT AGENCY  
APPROVING AND AUTHORIZING THE EXECUTION OF A  
\$1,100,000 INTEREST FREE PROMISSORY NOTE  
BETWEEN THE AGENCY AND THE CITY OF EL PASO DE ROBLES

WHEREAS, the City's General Fund has advanced funds to the Paso Robles Redevelopment Agency for the express purpose of eliminating negative cash balances at year end; and

WHEREAS, these advances have been made annually for a number of years for this purpose; and

WHEREAS, the total amount advanced is estimated (unaudited) through June 30, 1997 at approximately one million one hundred thousand dollars (\$1,100,000); and

WHEREAS, the Agency is desirous of adopting a formal promissory note recognizing these advances and establishing a debt service repayment schedule.

BE IT HEREBY RESOLVED by the Paso Robles Redevelopment Agency that the promissory note attached herewith as Exhibit "A" is hereby approved and the Agency Chairman is authorized to execute said note.

APPROVED AND ADOPTED by the Paso Robles Redevelopment Agency Board this 4th day of November, 1997 by the following vote:

AYES: Baron, Iversen, Macklin, and Swanson

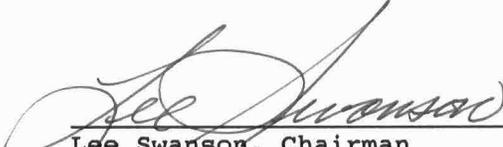
NOES: Picanco

ABSENT: None

ABSTAIN: None

Attest:

  
Madelyn Paason  
Madelyn Paason, Secretary

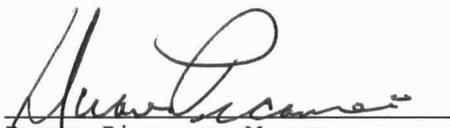
  
Lee Swanson, Chairman

PROMISSORY NOTE WITHOUT ACCRUED INTEREST

\$1.1 million

November 4, 1997

For value received, the Redevelopment Agency agrees to repay the City of El Paso de Robles' General Fund the sum of One million one hundred thousand dollars (\$1,100,000), representing total aggregate advances made by the City of El Paso de Robles through June 30, 1997. The principal amount of this promissory note shall not be adjusted retroactively, or annually or proportionally therefore for any accrued interest nor shall interest payments be included in the monthly payment amount when monthly principal are made every month for a period of ten (10) years beginning July 15, 2000. Principal payments shall be proportionally increased annually to match available resources and to assure full repayment within the specified ten (10) year term. The Redevelopment Agency may repay the outstanding principal balance of this note at any time prior to maturity.

  
Duane Picanco, Mayor  
City of El Paso de Robles

  
Lee Swanson, Chairman  
Paso Robles Redevelopment Agency