



## City Council Meeting Agenda

**Date:** 10/10/17  
**Time:** 4:15 p.m.  
**Location:** City Hall – Council Chambers

- ❑ Mayor Matt Hall
- ❑ Donny Anderson
- ❑ Karen Ballinger
- ❑ Jerry Fritz
- ❑ Landon Greer
- ❑ Glenn A. Nielson
- ❑ Stan Wolz
- ❑ City Administrator, Barry Cook
- ❑ Administrative Services Officer, Cindy Baker
- ❑ City Attorney, Scott Kolpitcke
  
- ❑ 4:15-4:30 Forward Cody – Use of Rural Development Funds
  - ❑ Spokesperson: James Klessens, Forward Cody  
J. Chad Stovall, USDA Representative
- ❑ 4:30 – 4:35 – Sub Committee Appointment – Audit Committee
  - ❑ Staff Reference: Leslie Brumage, Finance Officer
- ❑ 4:35- -4:45 – Informational - Snow Removal 2017-2018
  - ❑ Staff Reference: Steve Payne, Public Works Director
- ❑ 4:45-5:15 – Committee Vacancies/Appointment Process
  - ❑ Staff Reference: Barry Cook, City Administrator  
Cindy Baker, Administrative Services Officer
- ❑ Updates – Staff
- ❑ Council Committee Reports
- ❑ Other Matters from Council
  
- ❑ **Meeting Reminders:**
  - ❑ Tuesday, October 17, 2017 - Regular Council Meeting 7:00 p.m. City Council Chambers



## Rural Economic Development Loan (REDL) Quick Reference Guide

*The Rural Economic Development Loan (REDL) Program provides financing to eligible Rural Utilities Service (RUS) electric or telecommunications borrowers to promote rural economic development and job creation projects.*

### Purpose and Eligibility

- To promote rural economic development and job creation projects.
- RUS (Rural Utilities Service) Electric and Telephone utility borrower (and some former RUS Borrowers)
- Financially sound organization
- Current on all Federal debts

### REDL Loan Terms

- Zero-interest loan provided to the intermediary on a pass-through basis to the ultimate recipient (project owner) - Payments are required to be made monthly.
- Maximum 10 year repayment period.
- Payments may be deferred up to one year for projects involving an established operation, or up to two years for projects involving a start-up venture or a community facilities project.
- Repayment by the ultimate recipient may not be more restrictive than the repayment schedule of the intermediary.
- Minimum 20% supplemental financing required, either by ultimate recipient or intermediary.

USDA Rural Development is an equal opportunity Lender, Provider, and Employer. Complaints of discrimination should be sent to USDA, Director, OCR, Washington, D.C. 20250-9410 or call (800) 795-3272 or (800) 720-6382 TDD.

### Ultimate Recipient Projects

An intermediary may receive REDL funds only when it has a pre-approved Ultimate Recipient and Project that have an immediate need for the Zero-Interest Loan. REDL funds may only be used by the Intermediary to make a Zero-Interest Loan to the Ultimate Recipient to finance financially viable economic development or job creation Projects in a Rural Area. Funds may only be used to provide the following assistance:

- Start-Up Venture costs, including, but not limited to financing fixed assets such as real estate, buildings (new or existing), equipment, or working capital;
- Business expansion and Incubators;
- Technical Assistance;
- Project feasibility studies;
- Advanced Telecommunications services and computer networks for medical, educational, and job training services;
- Other Projects eligible under §4280.21;
- Community Facilities Projects.

### Application

Application should be made at the Rural Development Area Office. The Area Office staff will be glad to discuss services available from the Rural Development and explain how to prepare a written application. Tennessee has offices in:

Greeneville	423-638-4771 ext 4
Knoxville	865-523-3338 ext 4
Chattanooga	423-756-2239
Cookeville	931-528-6539 ext 2
Nashville	615-783-1359
Lawrenceburg	931-762-6913 ext 4
Jackson	731-668-2091 ext 2
Union City	731-885-6480 ext 4
State Office (Nashville)	615-783-1341
Statewide	1-800-342-3149

## Rural Economic Development Loan (REDL) Quick Reference Guide



### Ineligible Purposes - Conflicts

#### Zero-Interest Loans may not be used:

- For activities that would adversely affect the environment, or activities that limit the choice of reasonable alternatives prior to satisfying Rural Development environmental requirements;
- To pay off or refinance any existing indebtedness or costs of the Project that was incurred prior to Rural Development receipt of the Intermediary's completed application;
- For any electric or telecommunications purpose or for the Intermediary's electric or telecommunications operations, for affiliated operations of the Intermediary, or for the benefit of other Intermediaries or their affiliated operations, except those purposes contained in § 4280.15(f);
- To pay the salaries of any employee or owner of the Intermediary, its subsidiaries, or affiliates, except for salaries incurred in administering a Revolving Loan Fund established under the REDG Program;
- For community antenna or cable television systems or facilities;
- For residential purposes such as residential dwellings and land sites; facilities to provide entertainment television; to transfer property between owners without making improvements that will promote or sustain economic development in Rural Areas; or for personal, non-business related vehicles;
- Where there is directly or indirectly a conflict of interest or the appearance of a conflict of interest in the Project; for Intermediaries this would include a situation in which the Intermediary, its officers, managers, Board of Directors, employees, their spouses, children, or close relatives, have a financial or ownership interest in the Project being funded, including its construction or development;

#### Some examples of Conflicts of Interest:

- The Intermediary, Board and/or employee, officers, manager, spouse, children, or close relatives who have an ownership interest in the project.
- The Intermediary, Board and/or employee, officers, manager, spouse, children, or close relatives who have an ownership interest in the property or other assets being purchased by the project.
- The Intermediary, Board and/or employee, officers, manager, spouse, children, or close relatives providing technical assistance financed with project funds.
- Activities which have the appearance of a conflict of interest
- When receipt of loan funds is on the requirement that the Ultimate Recipient acquire electric or telecommunications service from the Intermediary or affiliates;
- For any gambling activity;
- For a Project that would result in the transfer of existing employment or business activity more than 25 miles from its existing location;
- For proposed Projects located in areas covered by the Coastal Barrier Resources Act (16 U.S.C. 3501-3510);
- For any illegal activity or any activity involving prostitution;
- For Agricultural Production, except where the Project is a farmer-owned cooperative or similar organization where the benefits of the Project are passed on to the farmer-owners, and the Agricultural Production is part of an integrated business that processes the agricultural products, and the Agricultural Production portion of the loan will not exceed 50% of the loan amount;
- For any pass-through Grant funding activity;
- Provision of only local exchange voice telephone service; or
- For any purpose announced in a notice by Rural Development. This will not affect Grants that have already been awarded.