

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OLYMPIA, WASHINGTON, AUTHORIZING THE CITY MANAGER TO EXECUTE DOCUMENTS NECESSARY TO SUBORDINATE A CITY OF OLYMPIA COMMUNITY DEVELOPMENT BLOCK GRANT LOAN UPON 711 NE STATE STREET (LOAN NO. DPL #278)**

**WHEREAS**, Community Youth Services (CYS), a Washington non-profit corporation, has been established in Olympia for over 45 years, providing an array of services to at-risk youth and their families; and

**WHEREAS**, the City of Olympia (City) currently has a Community Development Block Grant (CDBG) loan in the amount of Fifty Thousand Dollars and No/Cents (\$50,000.00) upon property owned by CYS located at 711 NE State Street, Olympia, WA, Thurston County Assessor’s Parcel No. 78201200100, CDBG Loan No. DPL #278; and

**WHEREAS**, CYS is in the process of acquiring new property and their lender is requesting subordination of the City’s loan to Timberland Bank, which is issuing CYS a \$500,000 line of credit for an upcoming CYS project on the new property; and

**WHEREAS**, the City’s subordinated position as a lender will be second, behind Timberland Bank; and

**WHEREAS**, the Olympia City Council has determined it to be in the best interests of the City of Olympia and its residents to provide for its most vulnerable populations, including at-risk youth and their families, by agreeing to CYS’s request to subordinate the City’s CDBG loan to Timberland Bank;

**NOW, THEREFORE, THE OLYMPIA CITY COUNCIL DOES HEREBY RESOLVE** as follows:

1. The Olympia City Council hereby approves the form of Subordination Agreement between the City of Olympia and Community Youth Services and the terms and conditions contained therein.
2. The City Manager is authorized and directed to execute on behalf of the City of Olympia the Subordination Agreement, and any other documents necessary to execute said Agreement, and to make any amendments or minor modifications as may be required and are consistent with the intent of the Agreement, or to correct any scrivener’s errors.

**PASSED BY THE OLYMPIA CITY COUNCIL** this \_\_\_\_\_ day of \_\_\_\_\_ 2022.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

**Mark Barber**

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CITY ATTORNEY