

**RECORD OF  
2020 CITY INTERNAL LOAN  
(CHA EXTERIOR RESTORATION PROJECT)**

February 5, 2020

This Record of Interfund Loan is executed by the City of Saint Paul's Interim Director, Office of Financial Services (“OFS”), and the OFS, Real Estate Manager to memorialize an Internal Loan for the City Hall Annex Exterior Restoration project (the “Project”) and its repayment.

WHEREAS, the City wishes to assist OFS, Real Estate with funds of up to \$500,000.00, to complete the financing of the Project with \$500,000.00 anticipated to be drawn in 2020; and

WHEREAS, an internal loan will complete the financing for the Project as detailed in RES PH 20-17 approved on February 5, 2020 after a public hearing. The advance, until repaid, will bear interest at the City treasury portfolio investment rate. This advance from Fund 700 (the “City Internal Loan Fund”) will be secured by the City Hall Annex account in Fund 710 and repaid by annual space use charges and building rent paid by city departments and the Ramsey County Sheriff’s office for occupancy in the City Hall Annex; and

WHEREAS, the advance, until repaid, will bear interest at the monthly City treasury portfolio investment rate (the “Pool Rate”). The Pool Rate is variable and reset monthly by the City Treasurer; and

NOW, THEREFORE, The OFS Director and OFS, Real Estate Manager memorialize the Internal Loan for the Project as follows:

1. Purpose. The purpose of this document is to memorialize the Internal Loan for the Project from Fund 700 and to serve as guidance in coordinating actions of the City and its Office of Financial Services and OFS, Real Estate with respect to such advances and required encumbrances, and repayments.
2. Authority. This document was authorized by, and carries out, resolution RES PH 20-17 adopted by the City Council on February 5, 2020.
3. Interest. Interest will accrue on the advance at the City treasury portfolio investment rate (“Pool Rate”). Pool Rate is variable and reset monthly by City Treasurer.
4. Advances. Fund 700 will advance up to \$500,000.00 to pay for costs associated with the Project as approved by the Interim Director of the Office of Financial Services after approval by the City Council. Each time there is an advance from the Internal Loan, the Real Estate Accountant will record the amount of the advance and the amount of the outstanding balance of the Internal Loan and send to the City’s Chief Accountant and OFS Treasury. Advances shall not be more often than monthly.
5. Repayment. OFS, Real Estate will reimburse this advance from Fund 700, including accrued interest, from annual space use charges and building rent paid by city departments and the Ramsey County Sheriff’s office for occupancy in the City Hall Annex. The advance is also secured

by the City Hall Annex account in Fund 710 and, accordingly, said account shall not to fall below the advance's outstanding balance until the advance is satisfied.

OFS Treasury or the City's Chief Accountant will provide the prior monthly Pool Rates to the Real Estate Accountant for the annual repayment amount due. The Loan is repayable at Par plus any interest due.

6. Term. Internal Loan matures three years after the initial advance.

Signed this \_\_\_\_ day of \_\_\_\_\_, 2020.

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John McCarthy  
Interim Director, Office of Financial Services

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Bruce Engelbrekt  
Manager, OFS Real Estate

Approved to Form:

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Assistant City Attorney

Exhibit A – Illustrative Example of Repayment Schedule

Exhibit B – 2020 City Resolution approving the Internal Loan for the Project RES PH 20-17

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