

## Recommendation

That a loan of \$473,763.15 be raised for the purpose of repaying at maturing the Tasman District Council General Renewal Loan No 52, 2007, and that such loan be known as the Tasman District Council General Renewal Loan No 53, 2007.

### 1.1 Funding Requirements

#### THAT:

- i) The Council shall borrow the sum of three hundred and eighty thousand dollars (\$2,806,246) from (Bank).
- ii) The loan documentation shall comprise the following:
  - a. Existing deed of charge entered into between Tasman District Council, Bank of New Zealand, National Bank of New Zealand, Westpac and ASB Bank Ltd.
  - b. A letter of offer from Westpac.
- iii) The Mayor and the Chief Executive are authorised to sign the loan documentation on behalf of the Council.
- iv) The Chief Executive is authorised to sign a certificate, pursuant to s122ZG(3) of the Local Government Act 1974.
- v) The loan advance of dollars shall be used to finance the following projects identified in Council's Annual Plans:

Property Purchases	500,000
Tapawera Water Telemetry	40,000
Collingwood WWTP Upgrade	314,900
Upper Takaka Wastewater	290,300
Takaka Library	750,000
Footpath Rehabilitation	50,000
District Kerb and Channel	44,000
Stormwater Kaiteriteri	51,000
Old Mill Walkway	266,046
Temporary Seating	500,000
	2,806,246

- vi) The Council shall charge rates revenue as security for the loan and the performance of its obligations pursuant to the loan documentation.
- vii) The Council acknowledges that by charging rates revenue, the Council is deemed to have made a special rate of such amount each year, on the rateable value of every rateable property in the district, as is sufficient to provide in that year for the payment of its commitments in respect of the loan or loan documentation during that year plus 10% thereof until the

**loan is repaid or the obligations incurred under the loan documentation are fully performed.**

- viii) The Council has considered the risks and benefits to the Council of the loan and loan documentation and of the security to be given in relation to the loan and loan documentation.**
- ix) The Council is satisfied that the general terms and conditions of the loan and loan documentation and of the security to be given in relation to the loan and loan documentation are in accordance with the borrowing management policy adopted by the Council and, in particular, the limits and guidelines set out in that borrowing management policy.**
- x) The Council delegates to the Chief Executive and the Corporate Services Manager the authority to further determine the precise terms and conditions of the loan, loan documentation and security, to be negotiated at the best current terms and conditions, such terms and conditions to be advised to the Council following the raising of the loan.**