



CITY of THE DALLES

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AGENDA STAFF REPORT CITY OF THE DALLES

MEETING DATE	AGENDA LOCATION	AGENDA REPORT #
October 27, 2014	Action Item	Addendum for 14-077

TO: Mayor and City Council

FROM: Nolan K. Young, City Manager *ney*

DATE: October 15, 2014

ISSUE: Approval to Submit an Application for Local Oregon Asset Program Full Faith and Credit Bond for Flex Space and Hangars at the Columbia Gorge Regional Airport

BACKGROUND: We previously sent the City Council information on the need to obtain loan funds for the \$625,000 EDA grant. In addition, the Airport Board has been looking into the opportunity to gain additional hangar space at the airport.

At their October 17 meeting the Airport Board supported acquiring a loan that would help construct the flex space under the EDA grant, as well as purchase an existing hangar at the airport (D Hangar), and construct a new eleven unit T hangar (F Hangar). It is anticipated that the maximum loan amount needed would be no more than \$2 million for a term of 15 years. The final amount of the loan will be determined after we have completed the design and have better cost estimates for the construction of the proposed flex space and T hangar

BUDGET IMPLICATIONS: Under this proposal any loan obtained would be paid back with the rent from the existing and new hangars at the Airport.

COUNCIL ALTERNATIVES:

1. Staff recommendation: Direct City Staff to submit an application for a loan under the Local Oregon Assets Program for an amount not to exceed \$2 million for the construction and/or purchase of flex space and hangars at the Columbia Gorge Region Airport.
2. Direct City Staff to submit an application for a loan in another amount.
3. Decline to submit application at this time.