

NO. 01-020

BEFORE THE CITY COUNCIL

OF THE CITY OF LIBERTY LAKE, WASHINGTON

IN THE MATTER OF AN INTEREST)	
FREE LOAN FROM SPOKANE)	
COUNTY TO THE CITY OF)	RESOLUTION
LIBERTY LAKE PAYABLE FROM)	
ROAD DISTRICT REGULAR)	
PROPERTY TAX COLLECTION)	
DISTRIBUTIONS)	

WHEREAS, pursuant to chapter 35.02 RCW, the City of Liberty Lake was incorporated having an "official date of incorporation" of August 31, 2001; and

WHEREAS, pursuant to RCW 35.02.270, counties may make interest free loans to newly formed cities to facilitate the transition to an incorporated city; and

WHEREAS, pursuant to RCW 35.02.180, territory included within a newly incorporated city or town shall be removed from the road district as of the "official date of incorporation"; and

WHEREAS, whenever any territory forming a part of an incorporated city is part of a road district and road district regular property taxes are collectable on property within such territory, the same shall, when collected by the county treasurer, be paid to such city and placed in the city street fund; and

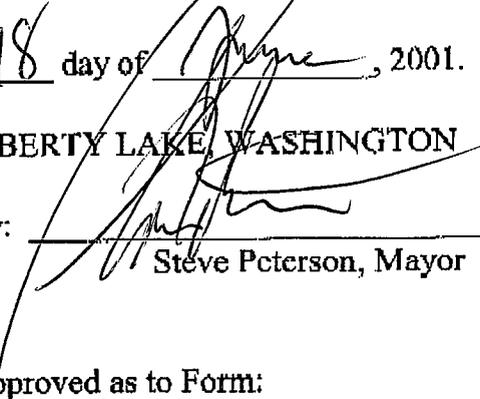
WHEREAS, the City of Liberty Lake will experience a temporary shortage of cash flow and as a result thereof has requested that Spokane County loan it \$250,000.00; and

WHEREAS, the City of Liberty Lake will agree to repay the \$250,000.00 loan from Spokane County by authorizing the Spokane County Treasurer to automatically transfer and deposit all collected Road District taxes that would otherwise go to the City of Liberty Lake under RCW 35.02.040 to Spokane County to be deposited in such fund as designated by Spokane County until such date as said deposits amount to \$250,000.00.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the City Council of Liberty Lake, that the Mayor be and is hereby authorized to execute, at other than an open meeting, any and all documents necessary for the City of Liberty Lake to obtain a loan of \$250,000.00 from Spokane County, which loan would be repaid by the City of Liberty Lake authorizing the Spokane County Treasurer to automatically transfer and deposit all collected Road District taxes that would otherwise go to the City of Liberty Lake under RCW 35.02.040 to Spokane County to be deposited in such fund as designated by Spokane County until such date as said deposits amount to \$250,000.00.

PASSED AND ADOPTED this 18 day of June, 2001.

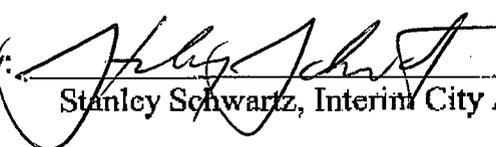
LIBERTY LAKE, WASHINGTON

By: 
Steve Peterson, Mayor

Approved as to Form:

ATTEST:
City Clerk

BY: 

By: 
Stanley Schwartz, Interim City Attorney

PROMISSORY NOTE
- 0 - Interest
Payable from Road District Regular Property Tax
Collection Distributions

RECITALS

(1) Pursuant to the provisions of RCW 36.32.120(6), the Board of County Commissioners of Spokane County has the care of County property and the management of County funds and business.

(2) Pursuant to chapter 35.02 RCW, the City of Liberty Lake has been incorporated having an "official date of incorporation" of August 31, 2001.

(3) Pursuant to RCW 35.02.180, territory included within a newly incorporated city or town shall be removed from the road district as of the "official date of incorporation."

(4) Whenever any territory forming a part of an incorporated city which is part of a road district and road district regular property taxes are collectable on property within such territory, the same shall, when collected by the county treasurer, be paid to such city and placed in the city street fund.

(5) The City of Liberty Lake will experience a temporary shortage of cash flow and as a result thereof has requested that Spokane County loan it \$250,000.00 from the County Current Expense Fund No. 010.

(6) The City of Liberty Lake will agree to repay the \$250,000.00 loan from Spokane County by authorizing the Spokane County Treasurer to automatically transfer and deposit all collected Road District taxes that would otherwise go to the City of Liberty Lake under RCW 35.02.040 to Spokane County to be deposited in Spokane County Current Expense Fund No. 010 until such date as said deposits amount to \$250,000.00

NOW, THEREFORE, for and in consideration of Spokane County loaning the City of Liberty Lake \$250,000.00 from Spokane County Current Expense Fund No. 010, interest-free, the City of Liberty Lake, having offices for the transaction of business at _____, Liberty Lake, Washington 99019, promises to pay to Spokane County the sum of **\$250,000.00** as follows:

(1) The Spokane County Treasurer shall automatically deposit in the Spokane County Current Expense Fund No. 010 all Spokane County Road District regular property taxes that are collected after August 31, 2001 on any property within the City of Liberty Lake until such date as such deposits equal \$250,000.00.

(2) Execution of this Note shall act as authorization to the Spokane County Treasurer to disperse such Spokane County Road District regular property taxes that are collected on property within the City of Liberty Lake after August 31, 2001 to Spokane County for deposit in the Spokane County Current Expense Fund No. 0101, until the amount of \$250,000.00 is paid.

DATED this 18 day of June, 2001.

ATTEST:
City Clerk

By: Galene Fisher
Clerk

CITY OF LIBERTY LAKE:

By: [Signature]

Its: Mayor
(Title)