

★ Roll Call Number
12-0398

Agenda Item Number
25

Date March 12, 2012

RESOLUTION APPROVING SUBORDINATION AGREEMENT WITH BANKERS TRUST COMPANY FOR BENEFIT OF ALLIANCE TECHNOLOGIES, INC.,

WHEREAS, on September 26, 2012, by Roll Call No. 12-1637, the City Council of the City of Des Moines approved a Loan Agreement with Alliance Technologies, Inc. ("Alliance"), whereby Alliance has relocated its corporate office to the building at 420 Watson Powell Jr. Way and has agreed to maintain at least 85 full-time equivalent jobs in Des Moines in consideration of financial and parking assistance from the City, including a forgivable loan in the amount of \$139,285.68 which is secured by security interest in Alliance's business assets; and,

WHEREBY, the City's security interest is subject to a prior operating loan which Alliance now seeks to refinance with Bankers Trust Company; and,

WHEREAS, Bankers Trust Company will refinance Alliance's operating loan only if the City agrees to maintain a subordinate position with regard to the security for that loan; and,

WHEREAS, Alliance has asked the City to enter into a Subordination Agreement with Bankers Trust Company and Alliance whereby the City agrees to subordinate its security interest to that of Bankers Trust Company.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Des Moines, Iowa, as follows:

1. The Subordination Agreement with Bankers Trust Company and Alliance Technologies, Inc., whereby the City agrees to subordinate its security interest in the business assets of Alliance to the lien of Banker's Trust Company, is hereby approved.
2. The Mayor and City Clerk are hereby authorized and directed to execute the Subordination Agreement on behalf of the City of Des Moines, Iowa.

MOVED by Hensley to adopt.

FORM APPROVED: Roger K Brown
Roger K. Brown, Assistant City Attorney

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COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
COLEMAN	✓			
GRIESS	✓			
HENSLEY	✓			
MAHAFFEY	✓			
MEYER	✓			
MOORE	✓			
TOTAL	7			

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

MOTION CARRIED APPROVED
T. M. Franklin Mayor

Diane Rauh City Clerk