



April 9, 2024

Mendocino County Board of Supervisors
501 Low Gap Road, Room 1010
Ukiah, CA 95482

RE: Proposed Loan Repayment Plan for Funds Borrowed Against Measure B Fund as Matching Funds to Construct the Behavioral Health Wing of SB844 Jail Building

This term sheet is being submitted per Board direction during the October 31, 2023, Board of Supervisor Meeting requesting staff to bring back a detailed plan outlining terms for repayment for funds borrowed against Measure B fund as matching funds to construct the behavioral health wing of SB844 jail building. As noted below, formal approval through a loan agreement by the Board of Supervisors will be required to secure these terms.

Type of Financing: Fixed Interest Term Loan

Borrower: County of Mendocino General Fund

Lender: County of Mendocino Measure B Fund

Maximum Amount: \$7,000,000

Maturity: Maximum ten-year term from loan origination

Interest Rate: Fixed simple interest of 2.50%

Principal Payment Structure: Level amortization, due annually within 30 days of the end of fiscal year

Interest Payment Structure: Due annually within 30 days of the end of each fiscal year

Prepayment Options: The County shall have the right to prepay the loan in whole or in part without prepayment penalty

Fees: No fees for origination

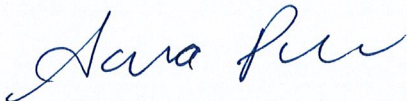
Documentation: The financing will require execution of a mutually agreeable financing agreement to be prepared by the Auditor/Controller-Treasurer Tax Collector with support from County Counsel and the Executive Office. The form of documents would be those normal and customary for the County of Mendocino.

Loan Approval: This Term sheet and related Financing Agreement will require formal approval by the Mendocino County Board of Supervisors in a public meeting.

Payment Number	Principal Payment	Interest Payment	Total Debt Service	Amount Remaining
0				7,000,000.00
1	624,811.00	175,000.00	799,811.00	6,375,189.00
2	640,431.27	159,379.73	799,811.00	5,734,757.73
3	656,442.06	143,368.94	799,811.00	5,078,315.67
4	672,853.11	126,957.89	799,811.00	4,405,462.56
5	689,674.44	110,136.56	799,811.00	3,715,788.12
6	706,916.30	92,894.70	799,811.00	3,008,871.82
7	724,589.20	75,221.80	799,811.00	2,284,282.62
8	742,703.93	57,107.07	799,811.00	1,541,578.69
9	761,271.53	38,539.47	799,811.00	780,307.16
10	780,307.16	19,507.68	799,814.84	(0.00)
	7,000,000.00	998,113.84	7,998,113.84	

Please feel free to reach out to me if you have any questions or concerns.

Regards,



Sara Pierce
Acting Auditor/Controller-Treasurer/Tax Collector