

ORDER # 229-2020

PROVIDING FOR: AMENDMENT OF ECONOMIC DEVELOPMENT LOAN TERMS

WHEREAS, Our Katahdin is a Maine nonprofit corporation organized to foster economic development in the Katahdin region; and

WHEREAS, Our Katahdin owns the former Great Northern Paper Company mill site in Millinocket; and

WHEREAS, the Town has loaned Our Katahdin \$450,000 to assist in redevelopment of the mill site; and

WHEREAS, Our Katahdin has commitments for funding from third parties for redevelopment of the mill site; and

WHEREAS, funding by third parties for redevelopment of the mill site requires that all parties providing funding agree on the priority of each party's security and related issues; and

WHEREAS, the Town has been requested to enter into an intercreditor agreement with other parties to document the agreement between funding parties concerning issues of mutual concern; and

WHEREAS, redevelopment of the mill site cannot proceed with third party funding and third party funding cannot proceed without a mutually agreeable intercreditor agreement.

NOW THEREFORE, IT IS ORDERED:

1. That Order #236-2019 is ratified and confirmed.
2. That acceptable terms and conditions for an intercreditor agreement include, but are not limited to the following:
 - EDA will have first position on the approximately 4 acre parcel shown on the new Exhibit G, which is attached to this Order, hereinafter the "EDA Parcel."
 - With respect to the EDA Parcel, MRDA and the Town will share second position. With respect to the remaining, non-EDA Parcel property that is owned by OK, MRDA and the Town will share

first. In the event of a default by Our Katahdin, the Town will have the first opportunity to step into the shoes of Our Katahdin and cure the default and complete the project.

- MTI will not have a collateral position but it will be a party to the intercreditor agreement.
- BSB will not have a collateral position but it will be a party to the intercreditor agreement and, where BSB is providing bridge funding until the EDA funds are received, the intercreditor agreement will include a restriction that prohibits Our Katahdin from using EDA grant funds to pay off other lenders before BSB has been repaid.

3. That if the position of Town Manager is vacant, the Chairman of the Town Council, with the advice of the Town Attorney, is authorized to take those actions delegated to the Town Manager under Order #236-2019.

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PASSED BY THE COUNCIL: _____

ATTESTED _____