



Legislation Text

File #: Ord 2111, **Version:** 1

Title

AN ORDINANCE AUTHORIZING THE LEASING OF CERTAIN CITY PROPERTY AND THE EXECUTION AND DELIVERY BY THE CITY OF A SITE LEASE, A LEASE PURCHASE AGREEMENT, AN ESCROW AGREEMENT AND OTHER FINANCING DOCUMENTS IN CONNECTION THEREWITH; SETTING FORTH PARAMETERS AND RESTRICTIONS WITH RESPECT TO THE FINANCING; AUTHORIZING THE REFUNDING OF CERTAIN CERTIFICATES OF PARTICIPATION; RATIFYING ACTION PREVIOUSLY TAKEN CONCERNING THE REFERENCED TRANSACTIONS; AND PROVIDING OTHER MATTERS RELATING THERETO.

Body

Summary and Background Information:

Certificates of Participation were issued on May 2006 for \$30,900,000 to finance a new civic center and related facilities. The interest rate ranged from 4.25% - 4.625%. In July 2016, Director Carstens presented information about the potential for refunding by the end of 2016 as the COP's are eligible for pre-payment in December. Issuance of the 2016 Refunding Bonds will result in an estimated savings of \$6.3 Million. Interest rates are lower and savings are estimated to be better than the presentation on July 25 indicated.

To issue the refunding bonds in December 2016, it requires that the bond ordinance be presented on October 17 and November 7 for Council approval. The Site Lease, the Lease, the Indenture, the Escrow Agreement, Preliminary Official Statement and the Continuing Disclosure Certificate are on file in draft form with the City Clerk. There are still items that will be updated in the agreements after the bond pricing and before closing.

Staff Responsible (Department Head): Sheryl Carstens

Staff Member Presenting: Sheryl Carstens

Financial Impact: None

Funding Source: N.A.

Staff Recommendation : Approval of Ordinance 2111