



Legislation Text

File #: ID 17-0158, **Version:** 1

Resolution Providing for the Sale and Issuance of a Not to Exceed \$50,000,000 General Obligation Public Improvement Bond Anticipation Note, Series 2017A

Department: Financial and Administrative Services
Council District: All

Public Hearing: N/A
Advertising Date: N/A

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PURPOSE:

The City proposes a private sale of not to exceed \$50,000,000 General Obligation Public Improvement Bond Anticipation Notes (BANs). Issuance of these notes requires approval of the attached proceedings and resolution providing for the sale of BANs pursuant to a Note Purchase Agreement between the Local Government Commission, the City and PNC Bank, scheduled to close on or about April 12, 2017. The agreement provides for interest only to be paid at a variable rate at 68.5% of 1-Month LIBOR + 0.32% over the two-year term. The City's Financing Team is also identified for City Council approval in the proceedings.

BACKGROUND:

The City proposes to issue up to \$50,000,000 BANs to fund the construction of capital projects over the next two years that were authorized by voters in 2008 and 2009. The BANs will be converted to permanent financing in fall 2018 but not later than November 4, 2018. The BANs will be issued up to \$50,000,000 for the following purposes:

Street Improvements	\$37,500,000
Parks and Recreational Facilities	5,000,000
Natural Science Center	<u>7,500,000</u>
Total	\$50,000,000

BUDGET IMPACT:

No additional resources above the current 8.25 cent property tax allocation are required to fund the debt service on this note.

RECOMMENDATION / ACTION REQUESTED:

The Financial and Administrative Services Department and Legal Department recommend City Council approval of the attached resolution providing for the issuance of a not to exceed \$50,000,000 General

Obligation Public Improvement Bond Anticipation Note, Series 2017A.