# CITY OF WEST DES MOINES
# CITY COUNCIL MEETING COMMUNICATION

**ITEM:** Public Hearing for the Issuance of Not to Exceed $3,680,000 General Obligation Urban Renewal Refunding Bonds

**DATE:** February 23, 2015

**FINANCIAL IMPACT:** Final debt service amounts (principal and interest) not known, pending sale details. The current estimate of overall interest savings is approximately $136,000 (net present value).

**BACKGROUND:** The public hearing is to consider the sale of not to exceed $3.680,000 General Obligation Bonds to (crossover) refund This action will ultimately allow a potential sale of not to exceed $3,680,000 of General Obligation Bonds to (crossover) refund outstanding General Obligation Bonds issued in 2008. The original bonds were issued to construct a number of CIP projects related to the Aviva USA facility (within Mills Parkway Sub-district 6) which were completed around that time. Rates on the Series 2008B bonds have been monitored by staff and the City's financial advisors, Public Financial Management (PFM) and the market is favorable to support a crossover refunding at this time.

This bond refunding transaction will be completed as part of the larger sale of "new money" General Obligation Urban Renewal bonds, the sale of which was previously approved by the City Council. The joint sale allows for the reduction of sales costs and fees associated with issuance.

It is anticipated that the sale details of this refunding transaction will be brought forward for approval at the Council Meeting of March 9, 2015.

**OUTSTANDING ISSUES** (if any): None

**RECOMMENDATION:** Conduct Public Hearing and adopt resolution instituting proceedings to take additional action on the issuance of not to exceed $3,680,000 General Obligation Bonds.

**Lead Staff Member:** Tim Stiles, Finance Director

**STAFF REVIEWS**

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|---|---|
| Department Director | |
| Appropriations/Finance | |
| Legal | |
| Agenda Acceptance | RTJ |

**PUBLICATION(S)** (if applicable)

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|---|---|
| Published In | Des Moines Register |
| Dates(s) Published | February 11, 2015 |

**SUBCOMMITTEE REVIEW** (if applicable)

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|---|---|---|---|
| Committee | Finance & Administration | | |
| Date Reviewed | January 24, 2015 | | |
| Recommendation | (Yes) | No | Split |

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Whereupon, Council Member _____ introduced and delivered to the Clerk the Resolution hereinafter set out entitled "RESOLUTION INSTITUTING PROCEEDINGS TO TAKE ADDITIONAL ACTION FOR THE ISSUANCE OF NOT TO EXCEED $3,680,000 GENERAL OBLIGATION URBAN RENEWAL REFUNDING BONDS", and moved:

☐ that the Resolution be adopted.

☐ to ADJOURN and defer action on the Resolution and the proposal to institute proceedings for the issuance of bonds to the meeting to be held at _____ _____.M. on the _____ day of _____, 2015, at this place.

Council Member _____ seconded the motion. The roll was called and the vote was,

AYES: _____

_____

NAYS: _____

Whereupon, the Mayor declared the measure duly adopted.

RESOLUTION INSTITUTING PROCEEDINGS TO TAKE ADDITIONAL ACTION FOR THE ISSUANCE OF NOT TO EXCEED $3,680,000 GENERAL OBLIGATION URBAN RENEWAL REFUNDING BONDS

WHEREAS, pursuant to notice published as required by law, the City Council has held a public meeting and hearing upon the proposal to institute proceedings for the issuance of not to exceed $3,680,000 General Obligation Urban Renewal Refunding Bonds, for the essential corporate urban renewal purposes, in order to provide funds to pay the costs of aiding in the planning, undertaking and carrying out of urban renewal projects under the authority of Iowa Code chapter 403 and the Amended and Restated Urban Renewal Plan for the Mills Parkway Urban Renewal District, including refunding the outstanding General Obligation Urban Renewal Bonds, Series 2008B, and has considered the extent of objections received from residents or property owners as to the proposed issuance of Bonds; and no petition was filed calling for a referendum thereon. The following action is now considered to be in the best interests of the City and residents thereof.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WEST DES MOINES, STATE OF IOWA:

Section 1. That this Council does hereby institute proceedings and take additional action for the authorization and issuance in the manner required by law of not to exceed $3,680,000 General Obligation Urban Renewal Refunding Bonds, for the foregoing essential corporate urban renewal purposes.

Section 2. The City Clerk is authorized and directed to proceed on behalf of the City with the sale of the Bonds, to select a date for the sale thereof, to cause to be prepared such notice and sale information as may appear appropriate, to publish and distribute the same on behalf of the City and this Council and otherwise to take all action necessary to permit the sale of the Bonds on a basis favorable to the City and acceptable to the Council.

PASSED AND APPROVED this 23rd day of February, 2015.

_____
Mayor

ATTEST:

_____
City Clerk