

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: DEBORAH LAUCHNER, CHIEF FINANCIAL OFFICER
FINANCE DEPARTMENT

SUBJECT: FINANCING OPTIONS FOR A COURTHOUSE SQUARE
REUNIFICATION PROJECT

AGENDA ACTION: SELECT OPTION AND PROVIDE DIRECTION

RECOMMENDATION

It is recommended by the City Manager and Chief Financial Officer that the Council, by motion, select a financing method and direct staff to begin the process for pursuing the selected financing method to fund all or part of a Courthouse Square Reunification Project.

EXECUTIVE SUMMARY

The City Council held a Study Session earlier today at which staff provided the Council with a presentation on various financing methods available to the City and provided options with respect to financing all or part of a Courthouse Square Reunification project. The Finance Department is looking for direction on the preferred option in order to begin working on the process involved in successfully obtaining financing for the project.

BACKGROUND

The City Council has expressed a desire to move a Courthouse Square Reunification project forward. In order for this project to advance, the City will need to finance some or all of the project costs. Financing methods and options specific to a reunification project were provided at the Study Session. As discussed in the Study Session, the options that would be available for a Courthouse Square Reunification project include General Obligation Bonds (GO Bonds), Certificates of Participation (COPs), Community Facilities District (CFD) and Enhanced Infrastructure Financing District (EIFD). Staff is looking for Council to select the preferred financing method for this project in order to create a strategy and timing for funding allowing the City to proceed.

PRIOR CITY COUNCIL REVIEW

On September 22, 2015, a Study Session was held regarding the financing methods available to the City and which methods are available for a Courthouse Square Reunification project.

FISCAL IMPACT

The fiscal impact will vary depending on the financing method chosen. Any potential financing will impact the General Fund with a debt service obligation. Providing direction on the preferred financing method does not have a fiscal impact, however once the preferred option is identified, Finance will work out a strategy for completing the financing and will return to the Council to explain the timing, fiscal impact and next steps. All financing requires Council approval in order to complete the process and close the deal.

ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not Applicable

NOTIFICATION

Not Applicable

ATTACHMENTS

None

CONTACT

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