



2016 CERTIFICATES OF PARTICIPATION COURTHOUSE SQUARE PROJECT AND 2007 LEASE REFINANCING

City Council Meeting
August 2, 2016

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Chief Financial Officer

CURRENT

- In 2007, the City issued Certificates of Participation in the amount of \$9,960,000
- It is advantageous to refund the 2007 COPs saving an estimated \$1 million in future debt service payments or approximately 12% of outstanding principal
- City wished to finance a portion of the Courthouse Square Reunification Project using Certificates of Participation

PROPOSED

- Refund the 2007 COPs
- Finance \$4.2 million of the total \$9.2 million CHS Project
- Approve relevant documents associated with the total financing package

BENEFIT

- Debt service savings on the 2007 COPs of approximately \$1,020,000 or 12% of outstanding principal
- Financing a portion of the CHS Project saves existing resources for additional community investment
- Current debt service payments for the 2007 COPs exceed the projected debt service payments for the new debt, saving the General Fund \$65,000 in annual debt obligations

RECOMMENDATION

- It is recommended that the Council, by resolution, approve the issuance and the documents necessary in connection with the issuance of 2016 Certificates of Participation in order to redeem the City's outstanding COP debt and finance a portion of the CHS Project for completion of the Project and debt service savings.

QUESTIONS ?