

# REQUEST FOR ACTION

**Department Head**

**Brian R. Bloch**  
Finance Director

**City Council Date**

**December 1, 2009**

**Agenda Item**

**6.A.**

Adopt a resolution accepting the bid and awarding the competitive sale of the \$895,000 G.O. Tax Increment and Improvement Refunding Bonds, Series 2009B.

**ACTION REQUESTED**

Motion to approve a resolution accepting the bid and awarding the competitive sale of the \$895,000 G.O. Tax Increment and Improvement Refunding Bonds, Series 2009B.

**BACKGROUND**

In 2008 the City authorized expenditures and financing for the Legacy of Delano, Tax Increment Financing (TIF) District No. 9. At that time staff and Council chose to finance the costs incurred through an interfund loan with the Sanitary Sewer Fund providing the financing. To take advantage of current low interest rates and to give the Sanitary Sewer Fund additional financial liquidity, staff investigated the possibility of refunding the interfund loan with a TIF Refunding Bond.

In addition the City is in a favorable position to refund the G.O. Improvement Bonds, series 2001A. The refunding of these bonds is expected to save the City approximately \$43,300 per year with a present value savings estimated to be \$25,240.

On November 3, 2009 Council approved a resolution establishing the sale date for the bonds to be December 1, 2009. Doug Green from Springsted, Inc. (City's Financial Advisors) will be present at Tuesday evening's meeting to present the results of the competitive bid. The resolution accepting the bid on the competitive sale of the \$895,000 G.O. Tax Increment and Improvement Refunding Bonds, Series 2009B will be prepared by Springsted and available at the meeting on Tuesday. The resolution will award the sale and allow the issuance of the bonds for refinancing the old debt issues.

**FUNDING**

Future Tax Increments and Property Tax Levies for repayment of the debt.

**ATTACHMENTS**

- ✓ Official statement dated November 19, 2009 for the sale of the \$895,000 G.O. Tax Increment and Improvement Refunding Bonds, Series 2009B.