

GOLD HILL NORTH MARKETPLACE BID



Debt Issuance

9/9/2024
City Council

Kyle Fenner – Planning and Neighborhood Services

BACKGROUND



- City Council approved the original operating plan for this Business Improvement District (BID) on August 10, 2021.
- This BID is authorized to levy up to 50.0 mills for debt service, and 10.0 mills for operational purposes, and these mill levies are currently in place for properties within this BID.

SUMMARY OF REQUEST



- This is a request to approve issuance of debt by the Gold Hill North Business improvement District (“District”) in the form of Series A and Series B 2024 bonds
- These bond are to be repaid from a combination of limited property tax and (TIF) revenues.

SUMMARY OF REQUEST



- The Series A bonds will be in the approximate principal amount of \$18,110,000 at an anticipated 6.5% interest rate.
- The subordinate Series B bonds will be in the approximate principal amount of \$2,996,000 and an anticipated rate of 8.75%.

SPECIAL DISTRICT POLICY



- The City's Special District Policy and the District's approved Operating Plan and Budget require that City Council's approval be obtained prior to issuing any debt that exceeds 10% of the value of the District property value.
- Approval of this debt issuance will require a two-thirds majority of the entire City Council (at least six affirmative votes) pursuant to City Charter Section 7-100.
- This Debt Issuance was discussed at the August 27, 2024, City Council Budget Committee meeting.

ATTACHMENTS

- Draft Cover Memo
- Cover Letter (Applicant)
- Bond Documents
- 2024 Operating Plan



DRAFT MOTION



Approval - Move adoption of the resolution authorizing the Gold Hill North BID General Obligation Bonds, Series 2024A and Subordinate Bonds, Series 2024B in the approximate amounts of \$18,110,000 and \$2,996,000.

Denial - Move denial of the resolution authorizing the Gold Hill North BID General Obligation Bonds, Series 2024A and Subordinate Bonds, Series 2024B in the approximate amounts of \$18,110,000 and \$2,996,000.

QUESTIONS

