



Legislation Details (With Text)

File #: 2017 -19 **Version:** 1 **Name:** CRA
Type: CRA Resolution **Status:** Passed
File created: 10/26/2017 **In control:** Community Redevelopment Agency
On agenda: 11/6/2017 **Final action:** 11/6/2017
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Title: SUPPLEMENTAL BUDGET RESOLUTION NO. 2017-19 CRA - APPROPRIATING FUNDING IN CONNECTION WITH THE URBAN CORE REDEVELOPMENT REVENUE BONDS, SERIES 2017.
Sponsors: Ashton J. Hayward, III
Indexes:
Code sections:

Attachments: 1. Supplemental Budget Resolution No. 2017-19 CRA, 2. Supplemental Budget Explanation No. 2017-19 CRA

| Date | Ver. | Action By | Action | Result |
|-----------|------|--------------------------------|---------|--------|
| 11/6/2017 | 1 | Community Redevelopment Agency | Adopted | Pass |

ACTION ITEM

SPONSOR: Jewel Cannada-Wynn, Chairperson

SUBJECT:

SUPPLEMENTAL BUDGET RESOLUTION NO. 2017-19 CRA - APPROPRIATING FUNDING IN CONNECTION WITH THE URBAN CORE REDEVELOPMENT REVENUE BONDS, SERIES 2017.

RECOMMENDATION:

That the Community Redevelopment Agency adopt Supplemental Budget Resolution No. 2017-19 CRA.

A RESOLUTION AUTHORIZING AND MAKING REVISIONS AND APPROPRIATIONS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2018; PROVIDING FOR AN EFFECTIVE DATE.

SUMMARY:

On April 10, 2017, the Community Redevelopment Agency (CRA) requested that the City pursue financing options for eligible Urban Core projects, to be repaid from future Tax Increment Financing (TIF) revenues. Mitch Owens, the City's Financial Advisor with RBC Capital Markets, LLC has pursued financing options and has recommended SmartBank as the lender. SmartBank has offered a twenty-two year and five month financing for the CRA's Urban Core Tax Increment Financing District at an initial fixed interest rate of 3.6%. On April 1, 2020, the interest rate will reset based on a predetermined formula as described in Section 7 of the Resolution. Interest will be paid semi-annually on October 1 and April 1 of each year and principal payments

will be paid annually on April 1 commencing on April 1, 2018 and maturing on April 1, 2040.

The pledged revenues include Tax Increment Revenues derived from the Urban Core Redevelopment Area, and in the event that these revenues are insufficient, certain Non-Ad Valorem Revenues budgeted and appropriated for such purposes. The City's bond attorney has incorporated within the Resolution an interlocal agreement between the City and the CRA whereby the CRA agrees that in the event that Tax Increment Revenues are insufficient to fully pay the principal and interest on the Series 2017 Bond and the Redevelopment Revenue Bonds, Series 2009A and Redevelopment Revenue Bonds, Series 2009B (collectively referred to as the Series 2009 Bonds), and the City advances any Non-Ad Valorem Revenues for the payment thereof, the CRA shall repay such advance plus interest to the City once funds become available. Since the Series 2017 Bond pledges the same revenue stream as the Series 2009 Bonds, the Series 2017 Bond will be issued on parity with the Series 2009 Bonds.

Upon approval of the financing by City Council, the Series 2017 Bond proceeds will be available to fund the acquisition of land, construction of certain streetscape projects, sidewalk enhancements, Jefferson Street Road Diet Project and Bay Ferry Project and certain other community redevelopment capital improvements to the Urban Core Community Redevelopment Area included in Urban Core Community Redevelopment Plan.

Based on current projections, Tax Increment Revenues are sufficient to meet debt service requirements for the twenty-two year and five month financing term as well as cover operations as currently structured in the Fiscal Year 2018 Budget. It is also projected that for the next twenty-two years and five months, Tax Increment Revenues will be fully committed and additional projects as identified in the Urban Core Community Redevelopment Plan will need to come from revenue growth or other sources.

The financing team consists of Mitch Owens, the City's Financial Advisor with RBC Capital Markets, LLC and Randy Clement, Esq., with Bryant Miller Olive, the City's Bond Counsel.

PRIOR ACTION:

October 8, 2009 - City Council approved Resolution No. 33-09 providing for the issuance of the Redevelopment Revenues Bonds, Series 2009A and Redevelopment Revenue Bonds, Series 2009B (Federally Taxable - Build America Bonds) in the amount of \$45,640,000.

April 10, 2017 - CRA requested that the City pursue financing options for eligible Urban Core projects, to be repaid from future Tax Increment Financing revenues.

FUNDING:

N/A

FINANCIAL IMPACT:

Adoption of the supplemental budget resolution will maintain compliance of the Florida Statutes pertaining to tax increment financing districts. Estimated closing cost of \$70,000, estimated cost for partial funding of the Bay Ferry Project of \$787,037 and estimated Jefferson Street Road Diet Project of \$250,000 will be paid from the \$8,000,000 in bond proceeds resulting in total remaining estimated project funds of \$6,892,963. Upon adoption of Supplemental Budget Resolution No. 2017-19 CRA a resolution will be presented to City Council to appropriate the funding for the Community Redevelopment Agency's Urban Core Redevelopment Bond, Series 2017.

CITY ATTORNEY REVIEW: Yes

10/30/2017

STAFF CONTACT:

Richard Barker, Jr., Chief Financial Officer

ATTACHMENTS:

- 1) Supplemental Budget Resolution No. 2017-19 CRA
- 2) Supplemental Budget Explanation No. 2017-19 CRA

PRESENTATION: No