

TO: Michael C. Van Milligen, City Manager

FROM: Jennifer Larson, Budget Director

SUBJECT: Proceedings to Complete Action on Issuance of \$20,800,000 Sales Tax Increment Revenue Bonds (Annual Appropriation Property Tax Supported), Senior Bond Series 2015A

DATE: May 27, 2015

INTRODUCTION

The purpose of this memorandum is to recommend proceedings to complete the action required on the Series 2015A bond issuance. A letter from attorney Bill Noth detailing information on the bond closing is enclosed.

DISCUSSION

The Series 2015A bonds will be used to fund the Bee Branch Watershed Project. The bonds will be repaid from the sales tax increment revenue received from the Flood Mitigation Program.

The Tax Exemption Certificate sets out in detail a number of facts, promises and obligations which must be met and agreed to by the City in order to maintain these bonds as tax exempt.

The City has an obligation to provide continuing disclosure to the market place while the bonds are outstanding. The Continuing Disclosure Certificate requires the City to provide annual financial information and other operating data described in the Continuing Disclosure Certificate to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system ("EMMA") so long as the bonds are outstanding, and also to provide notice to EMMA if certain events occur.

The Paying Agent; Bond Registrar and Transfer Agent Agreement approves appointment of Wells Fargo Bank, National Association of Des Moines, Iowa to serve as paying agent, bond registrar, and transfer agent.

The other related documents enclosed to complete action in connection with the authorization of the Series 2015A bonds include:

- Original Bonds
- Delivery Certificate
- Transcript Certificate
- Authentication Order
- County Auditor's Certificate
- Form 8038-G – Information Return for Tax Exempt Governmental Obligations

This is the final City Council action required on the bond issuance.

RECOMMENDATION

I respectfully recommend the approval and completion of the enclosed documents to complete the action required on the Series 2015A bond issuance.

JML

Attachments

cc: Barry Lindahl, City Attorney
Cindy Steinhauser, Assistant City Manager
Teri Goodmann, Assistant City Manager
Kenneth TeKippe, Finance Director