

Legislation Text

File #: 2024-6077, **Version:** 1

Presentation: Downtown Market Plaza Financing Plan

Issue/Request:

Presentation to the City Council to discuss the financing plan for the Downtown Market Plaza project.

Key Issues:

(1) City Council appropriation of funds from the Unassigned General Fund Balance and (2) the issuance of special obligation bonds for financing the remaining construction costs.

Background:

On September 26, 2023, the City Council heard a presentation from City staff regarding the first contract for Guaranteed Maximum Price #1 ("GMP 1") for the project. Following the execution of the GMP1 contract, McCown Gordon has completed environmental remediation of the buildings and the demolition of the buildings. On January 26, 2024, the City closed on the real estate transaction with AT&T to acquire the north area and east lot of the AT&T property. Other significant events have occurred as outlined in the attached presentation.

Since September 2023, City staff has also continued to work with the City's financial advisor (Columbia Capital) and the City's bond counsel (Gilmore & Bell) to prepare a financing plan to finance all construction costs for the public components of the project. This financing plan is the subject of the presentation at this Council meeting.

Impact/Analysis:

The attached presentation contains details about the financial analysis for the proposed financing plan.

Timeline:

Staff is asking the City Council to render a decision on the amount of funds to be appropriated from the Unassigned General Fund Balance to the project during the month of February or March. Staff will proceed with the City's financial advisor and bond counsel to prepare the special obligation bond issuance during March and April.

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David Bushek, Chief Counsel of Economic Development and Planning