



Legislation Text

File #: 15-20934, Version: 1

Public Hearing and Decision for Issuance of Draw Program for the Spectrum Arena Upgrades

Action:

- A. Conduct a public hearing related to issuance of a draw program for up to \$110,000,000 for Spectrum Arena upgrades, and**
- B. Adopt a resolution authorizing and approving issuance of construction period financing for up to \$110,000,000 and calling for the execution and delivery of various documents necessary to complete the financing.**

Staff Resource(s):

Tracy Dodson, City Manager's Office
Teresa Smith, Finance
Matthew Hastedt, Finance

Explanation

- On July 10, 2023, City Council adopted a resolution setting a public hearing for August 28, 2023, for a draw program for up to \$110,000,000 for arena upgrades.
- This action authorizes the city to enter into construction period financing in the form of a draw program not to exceed \$110,000,000, allowing the city to reimburse expenses on a monthly basis during construction and eliminate interest expense on funds not yet expended on the projects.
- Drawdown construction period financing reduces interest cost and provides flexibility in the timing of the spending. It is a routine financing mechanism for capital projects financed with debt.
- The projects being funded will assist with contractual obligations of the city to provide capital repairs and improvements, and finance other renovations and upgrades to meet the National Basketball Association requirements, to keep the arena competitive, to make it more environmentally friendly, and to help attract additional events.
- This action authorizes the City Manager and the authorized officers named in the resolution to take the necessary actions to complete the financing and related documents for the life of the debt.
- With the City Council approval, it is anticipated the Local Government Commission will approve this action at its September meeting.

Fiscal Note

Funding: Tourism Fund

Attachment(s)

Resolution