

Legislation Details (With Text)

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Type: Public Hearing Item **Status:** Agenda Ready

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On agenda: 3/25/2019 **Final action:** 3/25/2019

Title: Public Hearing on Convention Center Facilities and Refunding of 2009 Certificates of Participation

Attachments: 1. Approving Resolution

Date	Ver.	Action By	Action	Result
3/25/2019	1	City Council Business Meeting	Close the Public Hearing	Pass
3/25/2019	1	City Council Business Meeting	Approve	Pass

Public Hearing on Convention Center Facilities and Refunding of 2009 Certificates of Participation

Action:

- A. Conduct a public hearing regarding approval of an installment financing contract, not to exceed \$142,500,000, to finance the City's renovation of the Convention Center, construction of a Conference Center in partnership with The Foundation of the University of North Carolina at Charlotte, and refunding of 2009 Certificates of Participation, and**
- B. Adopt a resolution authorizing and approving an installment financing contract for the proposed financing and calling for the execution and delivery of various documents necessary to complete the sale of Certificates of Participation.**

Staff Resource(s):

Robert Campbell, Finance

Mike Davis, Engineering and Property Management

Explanation

- This action authorizes the City to enter into an installment financing contract related to the issuance of \$142,500,000 of Certificates of Participation (COPs) to be used for the following:
 - \$110,000,000 of the proceeds will be used to complete the Phase I renovation of the Convention Center,
 - \$8,000,000 of the proceeds will be used to construct a Conference Center at UNC-Charlotte, and
 - \$24,500,000 of the proceeds will be used to refund outstanding 2009 Convention Center COPs, which allows the City to realize future debt service savings.
- Conference Center financing is dependent on the City receiving a fully executed contract for the project.
- Refunding the City's outstanding 2009 COPs is anticipated to generate \$3,200,000 in savings over 15 years.
- COPs are a common debt financing tool used by municipal governments to help fund the purchase of capital equipment and the construction or renovation of facilities.
- On August 27, 2018, City Council approved the use of \$8,000,000 of the proceeds for the

construction a Conference Center at UNC-Charlotte.

- On September 25, 2017, City Council approved the set-aside of \$110,000,000 of future debt capacity for this project. On November 26, 2018, City Council approved the Construction Manager at Risk contract for this project.
- The current action will:
 - Conduct a public hearing on the projects to be financed,
 - Provide information required for Local Government Commission approval of the financing, and
 - Give approval to the City Manager and the Authorized Officers named in the Resolution to take necessary actions to complete the financing.

Fiscal Note

Funding: Convention Center Tax Fund

Attachment(s)

Resolution