



Legislation Text

File #: 09-0919, Version: 1

Resolution to Amend Project Budget for South Fifth Avenue Underground Parking Structure (\$58,777,228.00) and Debt Service Budget for the Parking Structure Bond Interest Payment (\$1,925,600.00) **(8 Votes Required)**

Attached for your review and approval, please find a resolution to amend the authorized budget from \$8,816,584.00 to \$58,777,228.00 for the South Fifth Avenue Underground Parking Structure and to amend the Debt Service Fund budget by \$1,925,600.00.

During adoption of the FY 2010 Capital Budget project expenditures were estimated at \$56,400,000.00, with \$8,816,584.00 planned for appropriation in FY 2010. The remaining portion of the budget, which was financed by issuing of Capital Improvement Build America Bonds, was not included in the appropriation request at the time of the budget adoption. With the issuance of the bonds, the project schedule anticipates more than the budgeted \$8.8 million in project expenditures in FY 2010.

The bonds were sold on August 5, 2009. The first interest payment on the bonds is scheduled for May 1, 2010. During preparation for the adopted budget, it was not anticipated that the first interest payment on the bonds would occur during FY 2010. Because the payment schedule is earlier than anticipated, the Debt Service Fund's budget needs to be amended to accommodate that payment. All future principal and interest payments will be included in the Debt Service Fund during the budget adoption process.

Prepared by: Tom Crawford, Financial and Administrative Services Administrator

Approved by: Roger W. Fraser, City Administrator

Whereas, The approved Capital Improvements Plan includes the South Fifth Avenue Underground Parking Structure, project TR-PF-10-01, with an "Important" priority rating;

Whereas, Project expenditures of \$8,816,584 have been previously appropriated in the DDA budget and additional project expenditures are anticipated in FY 2010;

Whereas, The City issued \$49,420,000.00 of Capital Improvement Build America Bonds in August 2009; and

Whereas, The first interest payment, in the amount of \$1,925,600.00 is due on the Bonds on May 1, 2010;

RESOLVED, That the following project budget is amended and funds appropriated for the life of the project, to be available without regard to fiscal year:

Section I, Revenue

\$49,420,000.00 - City Capital Improvement Build America Bonds

540,644.00 - Construction Fund Investment Earnings

8,816,584.00 - DDA Contribution (already appropriated)

\$58,777,228.00 - TOTAL

Section II, Expense

\$58,777,228.00 - Project Construction

RESOLVED, That the City make the following declaration for the purpose of complying with the reimbursement rules of Treasury Regulations 1.150-2 pursuant to the Internal Revenue Code of 1986, as amended, that the City reasonably expects to reimburse itself for expenditures for the costs of the Project with proceeds of Bonds;

RESOLVED, That the FY 2010 Debt Service Fund budget is amended and funds appropriated in the amount of \$1,925,600.00 for interest payments on the bonds; and

RESOLVED, That the City Administrator be authorized to take any administrative actions necessary to implement this resolution.