

## IMPACT STATEMENT

**Legislation title:** \* Authorize Airport Way urban renewal and redevelopment refunding bonds (Ordinance)  
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### Purpose of proposed legislation and background information:

The Ordinance authorizes the issuance of Airport Way Urban Renewal and Redevelopment Refunding Bonds (the "Refunding Bonds") in an amount sufficient to refund any or all of the City's Airport Way Urban Renewal and Redevelopment Bonds, 2005 Series A (the "2005 Series A Bonds"). The 2005 Series A Bonds are currently outstanding in the amount of \$28,640,000. The purpose of the refunding is to achieve debt service savings. The proposed refunding is being done in conformance with the City's Debt Management Policy (FIN 2.12), which requires net present value savings of at least \$100,000 for current refundings (as defined for federal tax law purposes).

### Financial and budgetary impacts:

Based on current credit market conditions, annual debt service savings achieved by refunding the 2005 Series A Bonds is estimated at approximately \$345,000 per year through FY 2019-20 assuming savings is taken uniformly. Total net present value debt service savings is projected to be approximately \$1.66 million, which represents approximately 6.6% of the gross proceeds of the Refunding Bonds. By reducing debt service costs of outstanding Airport Way Urban Renewal and Redevelopment Bonds, a portion of the Citywide urban renewal special levy becomes available for allocation toward debt repayment for other eligible outstanding urban renewal area bonds.

### Community impacts and community involvement:

This is an administrative action taken to authorize the issuance of the Refunding Bonds, the proceeds of which will be used to refund the 2005 Series A Bonds. There is no community impact or involvement anticipated.

**Budgetary Impact Worksheet****Does this action change appropriations?**☐ **YES:** Please complete the information below.☒ **NO:** Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount