

CITY OF COOS BAY URBAN RENEWAL AGENCY
Agenda Staff Report

MEETING DATE	AGENDA ITEM NUMBER
February 19, 2013	

TO: Chair Melton and Board Members

FROM: Susanne Baker, Finance Director
Through: Rodger Craddock, City Manager



ISSUE Resolution 13-01

BACKGROUND

The City of Coos Bay Urban Renewal Agency authorized staff on September 18, 2012 to solicit for lower interest rates for the 2003 Downtown and Empire district bonds. The requests for proposals were received and the financing successfully completed through Umpqua bank, lowering the interest rates from the 4.5% tax-exempt rate to a 3% taxable rate for Downtown and a 2% tax-exempt rate for Empire.

A requirement of the financing was to lower the respective bond reserve funds for each district to reflect the lower payments due and to transfer those funds for payment of accrued interest and other bond issuance costs. The bond reserve is a typical requirement when bond financing is utilized and stipulates that one year of bond payments be held in reserve.

Staff has complied with Oregon Revised Statute (ORS) 294.471 which sets forth the requirements for a supplemental budget to appropriate funds and the required disclosure in the meeting notice of the Agency's consideration of the supplemental budget.

ADVANTAGES

The Agency will continue to conduct business in a transparent manner.

DISADVANTAGES

None.

BUDGET

The required transfers from the Downtown and Empire Bond Reserve Funds will be made to their respective capital project funds to meet expenditure requirements.

RECOMMENDATION

It is staff's recommendation the Agency adopt Resolution 13-01.

Urban Renewal Agency of the City of Coos Bay

Resolution 13-01

A RESOLUTION OF THE URBAN RENEWAL AGENCY OF THE CITY OF COOS BAY, COOS COUNTY, OREGON, TO TRANSFER FUNDS FROM THE DOWNTOWN AND EMPIRE BOND RESERVE FUNDS TO THEIR RESPECTIVE CAPITAL PROJECTS FUND

WHEREAS, the Urban Renewal Agency of the City of Coos Bay, Coos County, Oregon has complied with the provisions of ORS 294.471 for a supplemental budget, including disclosure in the meeting notice that a supplemental budget would be held; and

WHEREAS, the Urban Renewal Agency of the City of Coos Bay, Oregon on September 18, 2012 authorized staff to solicit a Request For Proposal for lower interest rates for the 2003A Downtown and Empire bonds, select a financial institution, proceed with the refunding; and adopted Resolution 12-08 and 12-09; and

WHEREAS, Umpqua Bank responded with a 3% taxable interest rate for Downtown and 2% tax-exempt interest rate for Empire which provided a debt service savings for both districts after bond issuance costs were calculated; and

<u>Downtown Bond Reserve Fund</u>		
Requirements	Transfer	\$16,872
New Total Downtown Bond Reserve Fund		\$682,204

<u>Downtown Capital Projects Fund</u>		
Resources	Transfer	\$16,872
Requirements	Material & Services	\$16,872
New Total Material & Services		\$474,109
New Total Downtown Capital Projects Fund		\$2,013,859

<u>Empire Bond Reserve Fund</u>		
Requirements	Transfer	\$13,885
New Total Empire Bond Reserve Fund		\$225,829

<u>Empire Capital Projects Fund</u>		
Resources	Transfer	\$13,885
Requirements	Material & Services	\$13,885
New Total Material & Services		\$192,772
New Total Empire Capital Projects Fund		\$4,573,241

NOW, THEREFORE, BE IT RESOLVED THAT, the Urban Renewal Agency of the City of Coos Bay, Coos County Oregon hereby adopts the FY 2012-2013 supplemental budget as set forth above, and appropriates the sums as shown.

The foregoing resolution was duly adopted by the Urban Renewal Agency of the City Council of the City of Coos Bay, Coos County, Oregon this 19th day of February 2013.

Gene Melton, Chair

ATTEST: _____
Susanne Baker, City Recorder