



Item: Resolution 9793, Relating to Financing of Certain Proposed Projects; Establishing Compliance with Reimbursement Bond Regulations under the Internal Revenue Code

From: Martha Capps, Operations Supervisor

Initiated By: Fiscal Services and Bond Counsel

Presented By: Coleen Balzarini, Fiscal Services Director

Action Requested: City Commission Adopt Resolution 9793

Suggested Motion:

1. Commissioner moves:

“I move the City Commission adopt/deny Resolution 9793”

2. Mayor calls for a second, discussion, inquiries from the public, and calls for the vote.

Staff Recommendation: Staff recommends the City Commission adopt Resolution 9793 to establish compliance with reimbursement bond regulations under the Internal Revenue Code.

Background: On March 20, 2007 the City Commission approved Ordinance 2967 which established the Great Falls West Bank Urban Renewal Plan. This plan included a Tax Increment Financing provision to give the City an additional funding tool in the redevelopment effort. Staff is proceeding with the issuance of Tax Increment Debt, not to exceed \$2,000,000. Proceeds of the debt are intended to finance planned projects within the District boundaries, which will benefit the public. Projected projects are listed as Exhibit A. All issuance fees and costs will also be paid out of this financing. Staff has been discussing the most cost effective financing options with Bond Counsel, and DA Davidson. The debt will be repaid from tax increment generated from increased property values within the district.

Concurrences: Representatives from Fiscal Services, Planning, Engineering, and Public Works have been working with Bond Counsel throughout the entire process.

Fiscal Impact: Adoption of this Resolution serves as official recognition of the intent to reimburse related expenses for project costs from debt financed proceeds.

Alternatives: The City Commission could choose to not approve Resolution 9793, but the City would forfeit the ability to issue tax exempt bonds as reimbursement for incurred project costs.

Attachments/Exhibits: Resolution 9793