

# City Council Item

April 22, 2024



<b>Item</b>	Resolution 2024-XX: Resolution Calling for a Public Hearing on the Intention to Issue GO Capital Improvement Plan Bonds and the Proposal to Adopt a Capital Improvement Plan Therefor	
<b>File No.</b>		<b>Item No:</b> D.7
<b>Agenda Section</b>	CONSENT AGENDA	
<b>Prepared By</b>	Kelly Grinnell, Finance Director	
<b>Reviewed By</b>	Laurie Hokkanen	

## **SUGGESTED ACTION**

"The Chanhassen City Council adopts the Resolution Calling for a Public Hearing on the Intention to Issue GO Capital Improvement Plan Bonds and the Proposal to Adopt a Capital Improvement Plan Therefor."

<b>Motion Type</b>	Simple Majority Vote of members present
<b>Strategic Priority</b>	Financial Sustainability

## **SUMMARY**

## **BACKGROUND**

The city is planning for the construction of a Civic Campus to include the construction of a new City Hall, Council Chambers, and Senior Center; the demolition of the existing City Hall, Council Chambers, and Senior Center; and the construction of a variety of park amenities. The city has received bids for a portion of the project and will receive the remaining bids on April 23, 2024.

Staff and the City's Financial Consultant, Ehlers & Associates, have reviewed funding options for the Civic Campus and recommend initiating the Capital Improvement Plan Bonding process as defined under Minnesota Statutes Section 475.521 (the CIP Act).

To issue bonds under the CIP Act, the city must notice and hold a public hearing to obtain public comment on the adoption of a 5-year Capital Improvement Plan (CIP) designating the projects to be funded by the issuance of the bonds. Upon completion of the public hearing, the issuance of bonds is subject to a 30-day window where a petition signed by voters equal to at least 5% of the votes cast in the last general election can require approval of voters at a referendum.

In Exhibit A of the attached Resolution, the notice of public hearing indicates that the city's intention is to issue GO Capital Improvement Plan Bonds in an amount not to exceed \$34,250,000. This amount is consistent with the project budget for the Civic Campus. The proposed uses of the bond funds include \$33,000,000 for construction, and approximately \$825,000 for capitalized interest and \$425,000 for issuance costs.

In order to initiate the bonding process, the Council needs to approve the resolution calling for the public hearing to be held on May 20, 2024.

## **DISCUSSION**

## **BUDGET**

## **RECOMMENDATION**

Adopt Resolution 2024-XX: Resolution Calling for a Public Hearing on the Intention to Issue GO Capital Improvement Plan Bonds and the Proposal to Adopt a Capital Improvement Plan Therefor.

## **ATTACHMENTS**

[Chanhassen Resolution Calling Public Hearing for CIP Bonds Capital Improvement Plan.docx](#)