



Hyattsville City Council Agenda Item Report

Meeting Date: August 28, 2019
Submitted by: Ron Brooks
Submitting Department: Finance
Item Type: Bond
Agenda Section:

SUBJECT

Hyattsville Resolution 2019-06: Providing for the Issuance of General Obligation Bonds to renovate the Public Works Facility and 3505 Hamilton Street (INTRODUCTION AND ADOPTION)

HCC-60-FY20

Recommendation:

I move that the Mayor and Council adopt Resolution 2019-06 providing for the issuance of general obligations bonds in an original aggregate principal amount not exceeding Thirteen Million Eight Hundred Twenty-Five Thousand Dollars (\$13,825,000) in order to finance or reimburse costs of the projects identified in the Resolution as Public Works Facility, 3505 Hamilton Street and Costs of Issuance; making a preliminary determination as to certain terms of the bonds and authorizing the Mayor, with the advice of the City Administrator, the Treasurer, the financial advisor to the City and bond counsel to the City, as applicable, to determine and finalize the terms of the bonds, subject to the limitations provided for in the Resolution; providing for the private sale of the bonds to Stifel, Nicolaus & Company, Incorporated through a negotiated underwriting; pledging the full faith and credit and unlimited taxing power of the City to payment of debt service on the bonds and providing that debt service may be payable from other available sources; designating a bond registrar and paying agent and a dissemination agent; approving the substantially final forms of the bonds and a Bond Purchase Agreement and authorizing the completion and execution thereof; providing for the preparation, completion and distribution of a Preliminary Official Statement and a final Official Statement relating to the bonds and any amendments or supplements thereto; making or providing for certain covenants relating to the tax-exempt status of the bonds; and providing for approval and execution of a continuing disclosure undertaking as required by SEC Rule 15c2-12 (INTRODUCTION AND ADOPTION).

Sponsor(s):

At the Request of the City Administrator

Co-Sponsor(s):

N/A

ATTACHMENTS

[Hyattsville Resolution 2019-06.docx](#)

[DOCS-#213284-v1-Bullet_Points_Summary_of_2019_Hyattsville_GO_Resolution.DOCX](#)

Summary Background:

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In fiscal years 2016 thru 2019 City Council approved Capital Budget appropriations of \$3.3 million to renovate the Public Works Facility and \$10,265,000 to renovate 3505 Hamilton Street for the Police Department for a total not to exceed for both projects of \$13,565,000. Funding for both projects is being provided from approved Capital Budget Funds and thru the Issuance and sale of General Obligation Bonds and/or General Obligation Bond Anticipated Notes plus issuance costs in an aggregate principal amount not to exceed Thirteen Million Eight Hundred Twenty-Five Thousand Dollars \$13,825,000. The proceeds of the sale are to be used and applied for the public purpose of

financing, reimbursing or refinancing costs (as defined in the ordinance) of the projects identified as Public Works Facility and 3505 Hamilton Street together with related costs.

Next Steps:

Upon passage of the resolution the City will complete the bond issuance process and sale City bonds after which bond proceeds will be deposited into the appropriate City fund account to pay for costs associated with the renovation of the DPW Facility and 3505 Hamilton Street.

Fiscal Impact:

The General Obligation Bonds will increase debt service beginning in FY21.

City Administrator Comments:

See summary above.

Community Engagement:

N/A

Strategic Goals:

Goal 1 – Ensure Transparent and Accessible Governance

Legal Review Required?

Complete