

**Mammoth Lakes Town Council**  
**Agenda Action Sheet**

**Meeting Date:** June 21, 2017

**Prepared By:** Daniel C. Holler, Town Manager

**Submitting Department:** Administration

**Title:** Approval to initiate the process for the issuance of \$5 million in revenue bonds for funding the Multi Use Facility (RecZone) at Mammoth Creek Park West.

**Recommended Motion:** Authorize the Town Manager to initiate the process for the Town to issue approximately \$5,000,000 in revenue bonds for the purpose of funding a portion of the Multi Use Facility (RecZone) at Mammoth Creek Park West secured by pledged revenues from Measure R.

**Background Information:** The funding plan for the Multi Use Facility (RecZone) included the issuance of \$5,000,000 in bonds generating an estimated net amount of \$4,900,000 for the project. The final amount may be slightly more or less pending final bids on the bonds. The preliminary debt structure is based on a 10 year bond with a 3.5% interest rate. The debt is a lease revenue bond with the Measure R sales tax revenues pledged (committed) for debt repayment. Attached is a draft timeline and the initial payment schedule prepared for discussion purposes. The estimated annual debt service payment is approximately the same as presented in the RecZone financing package. As a 10 year, tax exempt bond the issuance will be completed by requesting proposals from a number of banks. The proposal that provides the best rates and terms will be selected. We anticipate receiving a few bids for this type of bond. The process is similar to that used in financing the police station. The timeline anticipates funds being available the first of October. Staff is requesting authorization to proceed with the issuance of bonds. The initial work will need to be completed regardless of when the bond issuance process is completed. Updates will be provided to Council through the process.

**Attachments:**

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