



# Plan of Finance and Defeasance Resolution

City Council  
February 14, 2023



# Plan of Finance

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## Convention Center Bonds

- Secured by Hotel Occupancy Tax Revenue
- Outstanding Principal Balance of \$1,315,000
- Maturity date 2030
- Issued as tax-exempt bonds

## Arena Bonds

- Secured by Type A Sales Tax Revenue
- Outstanding Principal Balance of \$9,595,000
- Maturity date 2025
- Issued as tax-exempt bonds



# Plan of Finance

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## Convention Center Bonds

- Recommend to defease (pay in full) the current outstanding principal balance
- Appropriate funds from the Debt Service Fund fund balance which includes Hotel Occupancy Tax revenue
- Savings of \$198,000 over the life of the bonds
- Approved defeasance resolution on January 24, 2023

## Arena Bonds

- Recommend to refund the current bonds as taxable
- Maturity date will remain as 2025
- Allow for time to have discussions on a plan for the 1/8<sup>th</sup> cent sales taxes currently collected for the Type A Arena fund and take a plan to voters before the bonds mature
- Cost of \$133,000 over the life of the bonds
- Type A Board approved on January 30
- Action Today- City Council to consider authorizing the issuance of bonds for refunding



# Recommendation

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Staff recommends approval of the bond  
issuance resolution



**Questions?**