



Legislation Text

File #: Resolution 41-2017, **Version:** 1

Agenda Date: 10/03/2017

Subject:

A resolution approving the 2018 Highline Business Improvement District Operating Plan and Budget

Presented By: Mark Relph, City Manager
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POLICY QUESTION:

Does city council support approval of the 2018 Highline Business Improvement District Operating Plan and Budget?

BACKGROUND:

The Highline Business Improvement District (the "district") was organized to provide financing for public improvements and services within the Highline Business Area, commonly known as the Ridge at South Park. The district is governed by a board of directors consisting of five electors of the district appointed by city council (the "directors").

There is one vacancy on the board due to a board member resigning in September, 2017.

STAFF ANALYSIS:

All capital improvements for which the district was organized have been completed and are in service. No additional improvements are planned for 2018.

FISCAL IMPACTS:

In 2015, the district successfully negotiated a mutual agreement with the bondholder of the Series 200B Bonds for a reduction and payoff of the 200B bond debt. This reduced the overall bond debt that was subsequently refinanced with a loan from CoBiz in the amount of \$3,000,000. The refinancing resulted in a reduction from the previous bond interest rate of 8.75% to a loan interest rate of 3.60%. An overall present value savings of \$1,299,525 was achieved by the district.

As a result of the 2015 refinancing, the District successfully negotiated and paid off the beneficiaries of the 2003 Operations and Management Agreement as well as the 2001 Advance and Reimbursement Agreements.

The proposed budget of the District for fiscal year 2018 is attached. The District projects to levy 18.000 mills for debt service for collection in 2018, and will apply all of the proceeds of this levy, net of county treasurer fees, to the loan. This is a reduction of 4.000 mills from budget year 2017. It should be noted that the debt service mill levy has been reduced by 19.000 mills since refinancing the debt in 2015.

STAFF RECOMMENDATION:

Staff recommends the resolution approving the 2018 Operating Plan and Budget for Highline Business Improvement District be approved.

PROPOSED MOTION:

I move to approve the resolution approving the 2018 Highline Business Improvement District Operating Plan and Budget.