

**ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF
CERTAIN CERTIFICATES OF PARTICIPATION PURSUANT TO A
LEASE TRANSACTION; AUTHORIZING THE EXECUTION AND
DELIVERY BY THE TOWN OF A SITE LEASE AGREEMENT, A
LEASE PURCHASE AGREEMENT, AND OTHER DOCUMENTS
RELATED THERETO; AND PROVIDING OTHER MATTERS
RELATED THERETO
(SECOND READING)**

SEPTEMBER 1, 2020



CERTIFICATES OF PARTICIPATION (COP) ISSUANCE - BACKGROUND

ENCORE PROJECT

- Mixed use redevelopment south of Town Hall
 - 124 for-sale condominiums
 - Retail / Restaurant
 - Office Space
- 601 parking spaces, 308 for public parking
- Project started in fall 2019,
 - Parking anticipated to be complete in spring 2021
 - Residential and commercial components complete in early 2022



For more information, please visit:
[CRgov.com](https://www.crgov.com)

CERTIFICATES OF PARTICIPATION (COP) ISSUANCE - ANALYSIS

- Town conducted an independent financial analysis of the acquisition of the parking spaces.
- The analysis determined that the projected Town revenue from the project:
 - The General Improvement District mill levy,
 - The Property Tax and Sales Tax increment from the site,
 - And the add-on Public Improvement Fee (PIF) was estimated to be sufficient revenue to service the COP debt.
- Council approved the Redevelopment agreement in 2019.

For more information, please visit:
CRgov.com

CERTIFICATES OF PARTICIPATION (COP) ISSUANCE

WHAT IS A COP?

COPs are different from General Obligation Debt or Revenue Bonds in many ways.

- Does not require voter authorization
- Not considered a general obligation indebtedness or multiple-fiscal year financial obligation of the Town.
- Debt service on the COPs is funded by rental payments that are subject to annual appropriation by Town Council.

For more information, please visit:
CRgov.com

CERTIFICATES OF PARTICIPATION (COP) ISSUANCE

PARAMETERS FOR ISSUANCE

- 4.5% as the maximum net effective interest rate on the COPs
- A Lease Term not to exceed 30 years, a Site Lease Term not to exceed 40 years
- An aggregate principal amount of Base Rentals not to exceed \$12,125,000
- A maximum annual repayment of Base Rentals not to exceed \$1,300,000
- And a maximum total repayment amount of Base Rentals not to exceed \$21,000,000
- The Lease shall be subject to prepayment at the option of the Town, without penalty, no later than December 1, 2030.

For more information, please visit:
CRgov.com

CERTIFICATES OF PARTICIPATION (COP) ISSUANCE

NEXT STEPS

- Rating Agency presentation – Monday, August 24th
- Ordinance – Second Reading, September 1, 2020
- Posting of the Official Statement – mid September
- Issuance of the COPs – Early October



For more information, please visit:
CRgov.com



QUESTIONS?



I MOVE TO APPROVE ORDINANCE 2020-012 AS
INTRODUCED BY TITLE ON SECOND READING.



THANK YOU