

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number _____

Meeting Type: Regular

Meeting Date: 3/12/2015

Action Requested By:
Finance

Agenda Item Type
Resolution

Subject Matter:

Debt-related Authorization

Exact Wording for the Agenda:

Resolution authorizing the Mayor to execute a Purchase Contract with the City's underwriters in connection with the sale of the General Obligation Warrants Series 2015-A, General Obligation Warrants Series 2015-B and Taxable General Obligation Warrants Series 2015-C.

Note: If amendment, please state title and number of the original

Item to be considered for: Action

Unanimous Consent Required: No

Briefly state why the action is required; why it is recommended; what Council action will provide, allow and accomplish and; any other information that might be helpful.

The City will issue the 2015-A Warrants for a portion of the projects described in the 1990 Capital Improvement Plan and 2014 Capital Improvement Plan, the 2015-B Warrants for extension of the Greenbrier Parkway in connection with proposed TIF 6, and the 2015-C Warrants to redeem a portion of the 2010-A TIF 5 EUL private placement warrants the City is obligated to redeem now that property taxes are being collected in TIF 5.

Associated Cost: _____

Budgeted Item: Not applicable

MAYOR RECOMMENDS OR CONCURS: Yes

Department Head: _____

Date: 3/10

RESOLUTION NO. 15 - _____

BE IT RESOLVED by the City Council (the "Council") of the **CITY OF HUNTSVILLE** (the "City"), as follows:

Section 1. Findings. The Council has ascertained and does hereby find and declare as follows:

(a) the City has determined to design, construct, acquire, install and equip various public capital improvements within the City including, without limitation, public roadway improvements, public park and recreation improvements, bridge improvements, public safety improvements, and various other public capital improvements (collectively, the "Improvements"); and

(b) the City has heretofore issued its Taxable Limited Obligation TIF Revenue Warrant, TIF5-Series 2010-A, dated July 26, 2010, the holder of which has exercised its right to tender a portion of the same for redemption and payment (such portion, the "Refunded TIF5-Series 2010-A Warrant Portion"); and

(c) the City has heretofore issued its General Obligation Capital Improvement Warrants, Series 2005-C, dated October 1, 2005 (the "Series 2005-C Warrants"), a portion of which scheduled to mature on October 1, 2015 in the amount of \$6,500,000 and bearing interest at a rate of 4.00% (the "Refunded Series 2005-C Warrants") the City has determined to redeem and retire; and

(d) in order to pay the costs of the Improvements and of redeeming and retiring the Refunded TIF5-Series 2010-A Warrant Portion, the Refunded Series 2005-C Warrants and potentially other debt obligations of the City, the City has determined to issue three or more series of general obligation warrants aggregating not more than \$90,000,000 in principal amount (the "Series 2015 Warrants"); and

(e) it will be necessary for the City to enter into a purchase contract (the "Purchase Contract") with the underwriting syndicate of Raymond James & Associates, Inc., Morgan Stanley & Co. LLC, Joe Jolly & Co., Inc., and Securities Capital (collectively, the "Underwriters") prior to the date on which the issuance and delivery of the Series 2015 Warrants will be approved by the Council.

Section 2. Authorization to Execute Purchase Contract. The Council does hereby authorize and direct the Mayor of the City to execute the Purchase Contract between the City and the Underwriters with respect to the sale and delivery by the City of the Series 2015 Warrants. The final form of the Purchase Contract shall be subject to ratification and approval by the Council following its execution by the Mayor at such time as the Council adopts an ordinance authorizing the issuance and delivery of the Series 2015 Warrants.

ADOPTED this the 12th day of March, 2015.

President of the City Council of
the City of Huntsville, Alabama

APPROVED this the 12th day of March, 2015.

Mayor of the City of Huntsville, Alabama