



Staff Report

April 3, 2023 Council Regular Meeting

Ordinance No. 23-003 - 2023 Limited General Obligation Bond

Presenter: Cathy Huber Nickerson, Finance Director

Time Estimate: 5 minutes

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BACKGROUND: : The City of Camas is redeveloping Crown Park, constructing 38th Avenue Phase 3, and addressing facility assessment projects. In determining the best option for funding these items, staff examined the cost of issuing limited general obligation bonds. Staff found the cost of issuing limited general obligation bonds to continue to be at historical lows and are recommending Council consider issuing bonds. The total the City would borrow would be \$15,000,000 of which approximately \$13,000,000 would be limited general obligation bonds and the rest may be the premium proceeds from the sale of the bonds.

There is also the potential to issue an additional \$5,000,000 for the fire station headquarters upsize and relocation.

SUMMARY: This Ordinance authorizes the City to provide for the issuance, sale and delivery of a not to exceed \$20,000,000 million limited tax general obligation bonds to finance parks development, facilities construction and rehabilitation, street construction and other capital improvements. The Ordinance also provides for the cost of issuance and sale of the bonds: setting up parameters for the terms and covenants of the bonds; appointing the City's designated representative to approve final terms.

BENEFITS TO THE COMMUNITY: The benefit of funding the projects in 2023 would be twofold, lower debt borrowing costs and potentially cost avoidance of higher inflation.

POTENTIAL CHALLENGES: The financial markets may change before issuance and staff may need to reschedule or consider other financing options.

BUDGET IMPACT: This agenda item was included in the approved 2023-2024 biennial budget for funding the Crown Park , 38th Ave. Construction Phase 3, and Facility Assessment Projects.

RECOMMENDATION: Staff recommends Council move to approve Ordinance No. 23-003.