

**ROCHELLE CITY COUNCIL  
AGENDA ITEM MEMO  
REGULAR MEETING**

**SUBJECT:** Consideration and action on an ordinance authorizing the issuance of General Obligation Bonds (Alternate Revenue Source) Series 2023A of the City of Rochelle, Ogle County, Illinois, in an aggregate principal amount not to exceed \$2,500,000, for the purpose of financing the costs of certain capital projects within the City and paying for costs related thereto, as amended.

**Staff Contact:** Jeff Fiegenschuh, City Manager

**Summary:** Staff has identified several infrastructure projects including but not limited to the of purchase and demolition of property, property redevelopment, installation of infrastructure including streets, curb and gutter, water mains, sewer lines and storm sewers, installation of new street lighting and the installations and burying of electric infrastructure. Rather than fund these projects at higher prices in the future, staff recommends taking advantage of the low interest rate environment and issue bonds. The debt service payments will be paid out of Downtown and Southern Gateway TIF revenues. The authorizing ordinance is the first step in the process of determining if this option is feasible for the City of Rochelle.

The City’s financial advisors anticipate rates in the 4.40% range and the debt service term will be no longer than 20 years. The anticipated debt service payments will be approximately \$198,000 annually.

**Funding Sources:**

Source:	Budgeted Amount:	Proposed Expenditure:

**Strategic Plan Goal Application:** Reduce/Re-evaluate Debt – Long Term Complex, Maintain Fiscal Stability & Balanced Budget – Short Term Routine, Create a 20 Year Capital Improvement Plan – Short-Term Routine & Long-Term Complex

**Recommendation:** Approve an ordinance authorizing the issuance of General Obligation Bonds (Alternate Revenue Source) Series 2023A of the City of Rochelle, Ogle County, Illinois, in an aggregate principal amount not to exceed \$2,500,000, for the purpose of financing the costs of certain capital projects within the City and paying for costs related thereto, as amended.