

Bond Issuance to Re-issue TIFIA 2017 Loan

Presentation Subtitle

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August 2, 2021



Action

- Adoption of this ordinance will 1) provide for the issuance of a limited tax general obligation refunding bond of the City in a maximum principal amount of \$110,000,000, to evidence the City's obligations under a TIFIA loan agreement with the United States Department of Transportation; 2) authorize the execution of the loan agreement, the delivery of the bond to the United States Department of Transportation, and the payment of costs of issuance of the bond; and 3) delegate the authority to approve the form and terms of the loan agreement and the final terms of the bond.



Agenda

1. 2017 TIFIA Loan and New Issue
2. Request for Action

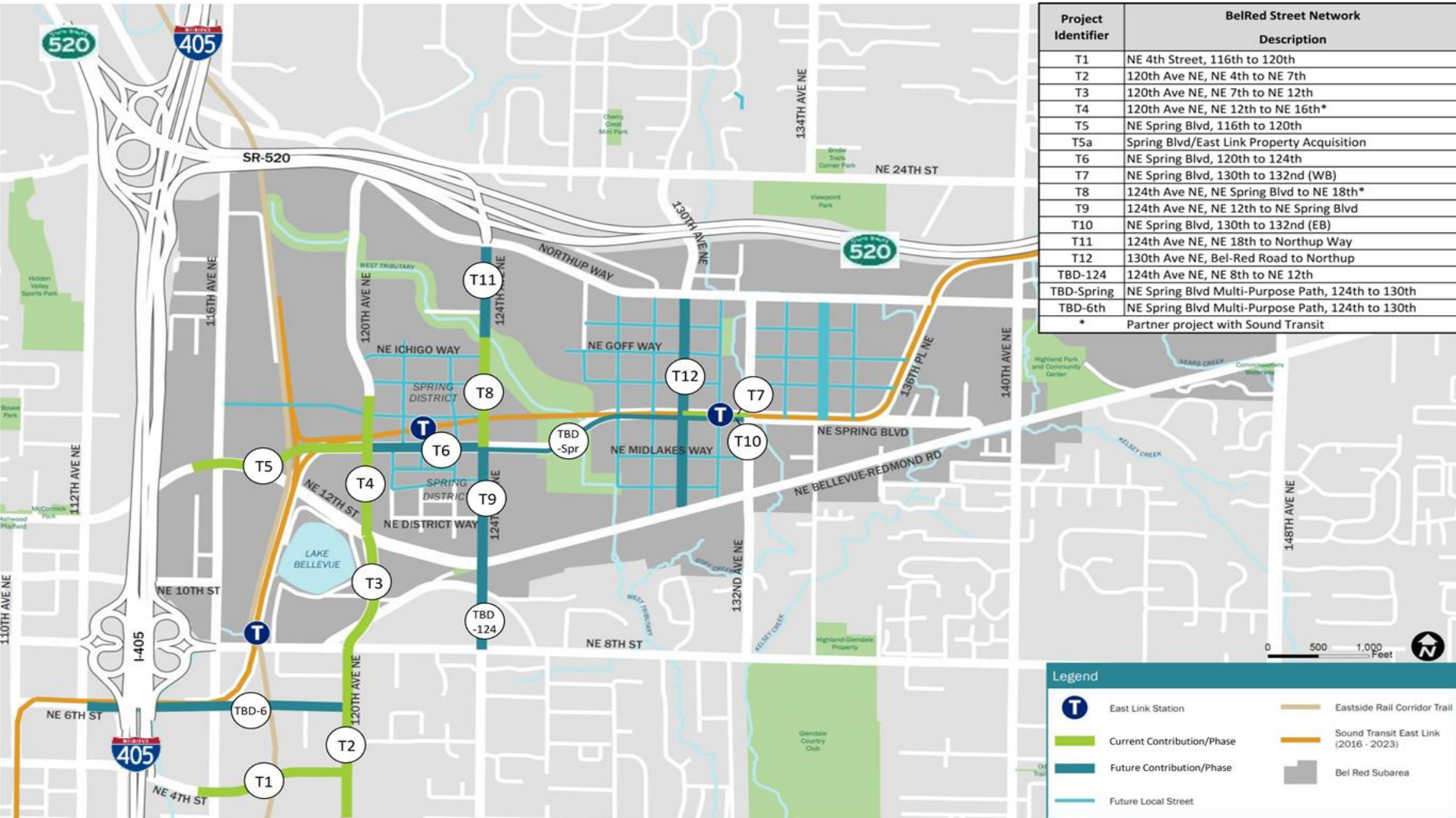


Background: 2017 TIFIA Loan

- Closed in June of 2017
- Not a grant, must be repaid per the loan terms
- Terms:
 - 2.86% Rate
 - Maturity 2056 or 35 years post substantial completion
 - First payment in 2024; interest accruing before first payment is capitalized
- Purpose: To assist in the creation on the BelRed Street Network



BelRed Street Network



Project Identifier	BelRed Street Network Description
T1	NE 4th Street, 116th to 120th
T2	120th Ave NE, NE 4th to NE 7th
T3	120th Ave NE, NE 7th to NE 12th
T4	120th Ave NE, NE 12th to NE 16th*
T5	NE Spring Blvd, 116th to 120th
T5a	Spring Blvd/East Link Property Acquisition
T6	NE Spring Blvd, 120th to 124th
T7	NE Spring Blvd, 130th to 132nd (WB)
T8	124th Ave NE, NE Spring Blvd to NE 18th*
T9	124th Ave NE, NE 12th to NE Spring Blvd
T10	NE Spring Blvd, 130th to 132nd (EB)
T11	124th Ave NE, NE 18th to Northrup Way
T12	130th Ave NE, Bel-Red Road to Northrup
TBD-124	124th Ave NE, NE 8th to NE 12th
TBD-Spr	NE Spring Blvd Multi-Purpose Path, 124th to 130th
TBD-6th	NE Spring Blvd Multi-Purpose Path, 124th to 130th
*	Partner project with Sound Transit

TIFIA Closing Authority

- Favorable TIFIA market condition warrant a review of the loan and a new issuance if market conditions hold
- In keeping with prior Council bond actions, delegates authority to City Manager and/or Director of Finance & Asset Management
- Within the following parameters:
 - To approve bonds not to exceed \$110M including capitalized interest
 - Interest Rate for the 2021 Bond is at least .40% lower than the TIFIA interest rate for the 2017 Bond.
 - To sign the Bond Purchase Contract

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