



Request for Council Action

Originator Finance	Item Reimbursement Resolution
Agenda Section Consent	Date 9/12/2016

Description

The Reimbursement Resolution states the official intent of the City to reimburse itself from proceeds of tax-exempt bonds to be issued by the City for expenditures made in connection with the acquisition of a parcel of property by the Bloomington Housing and Redevelopment Authority (HRA), located at 1901 American Blvd W in the City.

The HRA, in cooperation with the City, proposes to undertake the acquisition of a parcel of property located at 1901 American Blvd W in the City in accordance with a development agreement entered into by and between the HRA and a private developer for the construction of a rental housing development and hotel in the Penn American District in the City (the "Project").

The City, on behalf of the HRA, reasonably expects to reimburse the expenditures made for certain costs of the Project from the proceeds of tax-exempt bonds of the City in an estimated maximum principal amount of \$2,500,000. All reimbursed expenditures will be capital expenditures, costs of issuance of bonds or other obligations, or other expenditures eligible for reimbursement under Section 1.150-2(d)(3) of the Reimbursement Regulations.

It is anticipated that the debt issuance for the reimbursement will occur this fall and as part of the legal bond documents will be a pledge agreement from the HRA pledging tax increment and/or HRA tax levy dollars to pay the debt service on these bonds. This process is consistent with previous City debt issued on behalf of the HRA.

Creator: Finance
Presenter: Lori Economy-Scholler

Requested Action

Move to adopt the attached reimbursement resolution.

Attachments:

Resolution