

# MISSOULA REDEVELOPMENT AGENCY

## CONDENSED BOARD MEETING MINUTES

January 28, 2013

**FINAL**

A **Special** meeting of the Board of Commissioners of the Missoula Redevelopment Agency was held at the MRA Conference Room, 140 West Pine, Missoula, MT 59802 at 10:00 AM. Those in attendance were as follows:

**Board:** Karl Englund, Nancy Moe, Daniel Kemmis (Skype), Ruth Reineking

**Staff:** Ellen Buchanan, Chris Behan, Jilayne Lee, Tod Gass, Juli Devlin

**Public:** Erin McCrady, Dorsey & Whitney, LLP

### **CALL TO ORDER**

10:00 a.m.

### **APPROVAL OF MINUTES** - None

### **PUBLIC COMMENTS & ANNOUNCEMENTS** - None

### **ACTION ITEMS**

#### **URD II 2013 Bond Parameters Resolution – Request for Approval (Buchanan)**

Buchanan said staff is recommending the Board approve the Bond Parameters Resolution so it can be forwarded to City Council with a recommendation for approval. She said back in August and September of 2012 the Board approved a Resolution of Intention to issue tax increment bonds from URD II so that certain improvements around the Millsite (Silver Park and Wyoming Street) could be made and the reconstruction of the railroad Trestle could be declared as an urban renewal project. She said the resolution provided in the Board packets sets out the parameters or conditions of the bonds. Buchanan said the most important information added to this resolution that was not included in the original bond Resolution of Intention is a presumed maximum interest rate and a presumed maximum return of proceeds from the bonds to the City. This sets the underwriter's discount which Buchanan said is 1% of the principal amount of the bonds. She said 99% of the bond proceeds come back to the City and are used for construction, debt service reserve, and issuing costs among other MRA expenditures. She said the current interest rates are in the mid 3% range but have been set at 4.475% knowing the interest rates may alter between now and when the bonds are sold in either late February or early March (2013) when construction contracts are awarded.

Buchanan said Kemmis emailed her prior to the meeting with a few questions/comments since he would be attending the meeting via Skype. In his email he mentioned a typo on page four in the second paragraph. Buchanan said that would be corrected. Kemmis asked in his email for clarification on the sentence on page four in the last paragraph that reads "The Official Statement shall contain such information as shall be advisable and necessary to describe accurately the City and the security for, and terms and conditions of, the Series 2013 Bonds". McCrady, Dorsey & Whitney, LLC, said this is standard language where the City Council gives Brent Ramharter, City Finance Director, and Buchanan the authority to prepare and execute an Official Statement to offer the bonds under the Federal Securities Laws. She said the Official Statement proves that the information provided about the City and the TIF District is accurate as of the offering date.

Page four, section three, second paragraph of the Parameters Resolution talks about the costs related to issuing the Series 2013 Bonds. Moe asked if this was the 1% that was discussed earlier. Buchanan said the 1% underwriter's fees were part of those costs but it would also include costs associated with Springsted, Inc., Dorsey & Whitney, LLC, printing costs, cost of issuance, etc. McCrady said right now the aggregate costs are estimated at \$200,000.

Englund asked if there will be approximately \$5.1 million available for construction once the cost of issuance and the 1% underwriter's fee are calculated into the bond. Buchanan said yes, once the Bond Purchase Agreement is received by D.A. Davidson & Company and the interest rate is set, MRA will have a better figure.

**REINEKING: I MOVE TO APPROVE THE ATTACHED RESOLUTION SETTING OUT THE TERMS OF THE SALE OF UP TO \$5,750,000 IN TAX INCREMENT URBAN RENEWAL REVENUE BONDS, SERIES 2013 (URD II), AND FORWARD IT TO THE CITY COUNCIL WITH A RECOMMENDATION FOR APPROVAL .**

**Moe seconded the motion.** Englund clarified the motion assumed correction of the typo on page four and any further errors found. All Board members agreed.

**Motion passed unanimously. (4 ayes, 0 nays) Kemmis on Skype. Cates absent.**

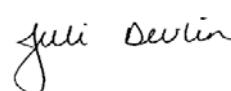
**NON-ACTION ITEMS** - None

**STAFF REPORTS** - None

**ADJOURNMENT**

Meeting adjourned at approximately 10:15 a.m.

Respectfully Submitted,



Juli Devlin