

CIP BUDGET FISCAL NOTE

DATE OF COUNCIL CONSIDERATION:

8/17/17

CONTACT DEPARTMENT(S):

Office of Real Estate Services

SUBJECT: Approve an ordinance amending the Fiscal Year 2016-2017 Office of Real Estate Services Capital Budget (Resolution 20160914-002) to increase appropriations by \$121,850,000 for Planning and Development Center site acquisition. Related to Items XX and XX.

CURRENT YEAR IMPACT:

Department:	Office of Real Estate Services
Project Name:	Planning and Development Center
Project Authorization:	2016-2017 Capital Budget
Funding Source:	Certificates of Obligation
Fund/Dept/Unit:	8560 4307 1101
Current Budget	\$650,000
Unencumbered Balance	\$0
This Action	<u>\$121,850,000</u>
Estimated Available	<u>\$121,850,000</u>

ANALYSIS / ADDITIONAL INFORMATION: This budget amendment will allow the City to negotiate and execute a Purchase and Sale Agreement, and supporting documents and instruments, with RedLeaf Properties, LLC and Ryan Companies US, Inc. (dba Highland PDC, LLC.) to acquire a Planning and Development Center for the Planning and Zoning Department, Development Services Department, and other staff involved in land development planning, regulation, permitting and inspection. The acquisition will include a 5.164 acre tract, an office building of approximately 264,000 gross square feet, structured parking, and related site amenities. Construction and delivery of the developed property, and closing on this transaction, is anticipated to occur in Fall 2019.

A reimbursement resolution is a separate, but related item on this Council agenda. A reimbursement resolution is required by federal and state law whenever a bond issuer plans to use bond proceeds to retroactively reimburse itself for expenditures the issuer already incurred. The use of a reimbursement resolution is approved in the City's financial policies and allows the City to start projects to be funded with bonds before the City's next scheduled general obligation bond sale. The city typically schedules its annual issuance of general obligation debt in August to coordinate with the budget cycle.