



Atascadero Public Financing Authority

Staff Report – Treasurer

2010 Series A Lease Revenue Bonds

RECOMMENDATION:

Board adopt the draft Resolution authorizing the issuance and sale of lease revenue bonds to finance improvements to the City of Atascadero's Historic City Hall and the acquisition and development of other capital improvements throughout the geographic boundaries of the City, approving form and authorizing execution of related documents and approving official actions.

DISCUSSION:

The Atascadero Public Financing Authority (Authority), working together with the City of Atascadero (City) and the Community Redevelopment Agency of Atascadero, is preparing to issue up to \$18,000,000 in bonds to finance the City's portion of the rehabilitation of Historic City Hall and other projects (collectively, "Project").

To move forward, the Board is asked to adopt the attached draft Resolution approving the financing activities, which specifically includes the following:

1. Findings and consent that significant public benefits will arise from the financing;
2. Approval of the issuance of the Bonds by the Authority, possibly in multiple series, for the purpose of providing funds to finance the Project;
3. Approval of Indenture of Trust;
4. Approval of Site and Facility Lease by and between the City and the Authority;
5. Approval of the Lease Agreement;
6. Approval of the Sale of Bonds by the Authority to the Underwriter;
7. Approval of the Official Statement;

8. Authorization of Official Actions; and,
9. Authorization of the Resolution to take effect immediately.

In order to provide for the repayment of the bonds, the Authority will lease six properties to the City pursuant to a lease agreement under which the City will make payments to the Authority from the General Fund. The Community Redevelopment Agency (Agency) has agreed to reimburse the City for amounts paid from its General Fund from tax increment revenues available to the Agency. Because the 2003 San Simeon Earthquake was declared a natural disaster by the President of the United States, the Agency is able to financially assist the City with these costs to rehabilitate the City Hall.

The Atascadero City Council, at its May 11, 2010 regular meeting, authorized the City Manager to execute contracts with Piper Jaffray for bond underwriting and Quint & Thimmig for bond counsel. Mark Curran will represent Piper Jaffray and Brian Quint will represent Quint & Thimmig.

FISCAL IMPACT:

Costs related to the bond issue are included in the financing. The City's General Fund will provide for the repayment of bonds.

ATTACHMENTS:

1. [Draft resolution authorizing the issuance and sale of lease revenue bonds to finance improvements to the City of Atascadero's Historic City Hall and the acquisition and development of other capital improvements throughout the geographic boundaries of the City, approving form and authorizing execution of related documents and approving official actions](#)
2. [Indenture of Trust](#)
3. [Site and Facility Lease](#)
4. [Lease Agreement](#)
5. [Memorandum of Lease Agreement](#)
6. [Memorandum of Assignment of Lease](#)
7. [Continuing Disclosure Certificate](#)
8. [Bond Purchase Agreement](#)
9. [Form of Final Opinion of Bond Counsel](#)

ITEM NUMBER:
DATE:

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10. [Authority Certificate regarding Preliminary Official Statement](#)
11. [Preliminary Official Statement](#)