

RESOLUTION NO. RS2018-1455 (HALL, HASTINGS, & HAYWOOD) – This resolution would approve the issuance of up to \$25,000,000 in GSD general obligation bonds to provide funding for various projects as listed in Exhibit A attached to the resolution. \$15,000,000 of the bond proceeds would be used for projects exclusively in Council District 1. The remaining \$10,000,000 would be used for stormwater, road, and sidewalk projects in districts containing racially and ethnically concentrated areas of poverty (R/ECAPs) as designated by the United States Department of Housing and Urban Development.

Pursuant to Rule 28 of the Council Rules of Procedure, Exhibit A is intended as a recitation of the total amount to be financed, the purposes of each amount and -- for each purpose -- the portion of the total allocated for that purpose. This resolution is intended as the first step in the process toward the ultimate sale of bonds by public bid to provide necessary financing for the listed projects. Approval of this initial resolution would allow the Metropolitan Government to use its commercial paper program to provide short term financing to commence construction prior to the sale of the long term bonds.

It should be noted that several of the proposed projects in Exhibit A are not contained in the current Capital Improvements Budget (CIB) as previously adopted by the Council per Ordinance No. BL2018-1196 on June 12, 2018. According to Section 6.13 of the Metro Charter, the Council cannot authorize an expenditure for a capital project unless it is included in its previous CIB. An amendment is anticipated to correct this error.

Fiscal Note: The proposed bond sale cannot proceed as proposed since it does not comply with the requirements per the Metro Charter. Therefore, there would be no fiscal impact.

However, if the anticipated amendment is introduced that removes the portions of this proposal that are in conflict with the Charter, the new bonds and resulting increase in debt service requirements could be approved.