

Date May 4, 2020

RESOLUTION AMENDING THE ORIGINAL RESOLUTION, APPROVED ON SEPTEMBER 24, 2018, SAID RESOLUTION APPROVING AND AUTHORIZING A LOAN AND DISBURSEMENT AGREEMENT WITH THE IOWA FINANCE AUTHORITY AND AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF STORMWATER MANAGEMENT UTILITY REVENUE CAPITAL LOAN NOTES, SERIES 2018F (SUBORDINATE), IN ORDER TO PROVIDE FOR THE FUNDING OF A SPONSORED PROJECT UNDER THE TERMS OF A NEW SERIES 2018F (SUBORDINATE) NOTE TO BE ISSUED IN THE PRINCIPAL AMOUNT OF \$6,668,000, WHICH INCLUDES APPROVAL OF A SUPPLEMENTAL TAX EXEMPTION CERTIFICATE

WHEREAS, by Roll Call Number 18-1610 approved on September 24, 2018 (the "Resolution"), the Issuer previously issued its Stormwater Management Utility Revenue Capital Loan Note, Series 2018F (Subordinate), dated October 12, 2018, in the amount of \$6,093,000 ("Original Note"), pursuant to a Loan and Disbursement Agreement between Issuer and the Iowa Finance Authority, dated of like date (the "Agreement"), for the purpose of defraying the costs of the Project (as defined in the Resolution); and

WHEREAS, the Issuer has been approved by the Iowa Finance Authority and the Department of Natural Resources for a "sponsored project" amendment to the Original Note for a water restoration project described below ("Sponsored Project") to be funded under the terms of a new Series 2018F (Subordinate) Note in the principal amount of \$6,668,000 and bearing interest at the rate of 0.77% ("New Note"); and

WHEREAS, the Iowa Finance Authority has requested that the Original Note be exchanged for the New Note, reflecting the additional amount allocated for the Project; and

WHEREAS, pursuant to notice published as required by law, this Council has held a public meeting and hearing upon the proposal to institute proceedings for the authorization of issuance to exceed \$71,700,000 Stormwater Management Utility Revenue Capital Loan Notes to evidence the obligations of the Issuer under said Loan and Disbursement Agreement, for the purpose of acquisition, construction, reconstruction, extending, remodeling, improving, repairing and equipping all or part of the Stormwater Management Utility, including costs associated with Lower Oak Park Sewer Separation and Yeader Creek Sponsored Project, and has considered the extent of objections received from residents or property owners as to said proposal and, accordingly the following action is now considered to be in the best interests of the City and residents thereof; and

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WHEREAS, the Issuer has previously issued \$43,620,000 Stormwater Management Utility Revenue Capital Loan Notes, Series 2018C, \$6,093,000 Stormwater Management Utility Revenue Capital Loan Notes, Series 2018F (Subordinate) and \$9,250,000 Stormwater Management Utility Revenue Capital Loan Notes, Series 2018G (Subordinate), leaving \$12,737,000 of remaining authority for the added principal for the New Note or other Stormwater Management Utility borrowings; and

WHEREAS, a Sponsored Project Loan and Disbursement Agreement Amendment (hereinafter the "Amendment") has been prepared to reflect said interest rate reduction and additional loan amount, a copy of which is attached hereto as Exhibit A; and

WHEREAS, pursuant to IRS regulations adoption of the Amendment constitutes a reissuance of the Note.

NOW, THEREFORE, BE IT RESOLVED BY CITY COUNCIL OF THE CITY OF DES MOINES, STATE OF IOWA:

Section 1. That the Resolution is hereby amended to reflect the interest rate reduction to 0.77% per annum on the new principal amount of \$6,668,000 from and after December 1, 2019 for the remainder of the life of the New Note. Debt service on the New Note is the same as debt service on the Original Note, accordingly, parity coverage is not affected.

Section 2. That the Amendment in substantially the form attached to this Roll Call and the New Note are hereby authorized to be executed and issued on behalf of the Issuer by the Mayor and attested by the City Clerk. The New Note shall be exchanged for the Original Note.

Section 3. That the Supplemental Tax Certificate regarding the uses of proceeds and the System is hereby approved. The Finance Director is authorized to execute the same.

Section 4. Except as amended herein, all of the other terms and conditions of the Resolution and Agreement are in all respects ratified, confirmed and approved and shall remain in full effect.

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Roll Call Number

Agenda Item Number

37

Date May 4, 2020

( Council Communication No. 20- 209 )

MOVED by \_\_\_\_\_ to adopt.

FORM APPROVED:

/s/ Lawrence R. McDowell
Lawrence R. McDowell
Deputy City Attorney

Table with 5 columns: COUNCIL ACTION, YEAS, NAYS, Pass, ABSENT. Rows include COWNIE, BOESEN, GATTO, GRAY, MANDELBAUM, VOSS, WESTERGAARD, and TOTAL.

CERTIFICATE

I, P. KAY CMELIK, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

MOTION CARRIED APPROVED

Mayor

City Clerk