



Roll Call Number

19-0071

Agenda Item Number

48A-1

Date January 14, 2019

RESOLUTION INSTITUTING PROCEEDINGS TO TAKE ADDITIONAL ACTION FOR THE AUTHORIZATION AND THE ISSUANCE OF NOT TO EXCEED \$8,500,000 URBAN RENEWAL REVENUE REFUNDING SECTION 108 GOVERNMENT GUARANTEED PARTICIPATION CERTIFICATES AND ONE OR MORE NOTES ISSUED AS PART OF SAID SERIES, OF THE CITY OF DES MOINES, STATE OF IOWA

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 and the issuance of not to exceed \$8,500,000 Urban Renewal Revenue Refunding Section 108 Government Guaranteed Participation Certificates and one or more Notes issued as part of said Series (the "Certificates and Notes"), for the purpose of paying costs of aiding in the planning, undertaking, and carrying out of urban renewal projects under the authority of chapter 403, including the refunding or re-issuance of the Section 108 Government Guaranteed Participation Certificates, Series HUD 2008-A and Note issued as part of said Series, and has considered the extent of objections received from residents or property owners as to the proposal and, accordingly, the following action is now considered to be in the best interests of the City and residents thereof.

WHEREAS, HUD has established January 16, 2019, as the deadline to submit a restated Variable/Fixed Rate Note No. B-06-MC-19-0003 in the amount of \$8,326,000, and a restated Contract for Loan Guarantee Assistance under Section 108 of the Housing and Community Development Act of 1974, as Amended (collectively the "HUD Loan Documents"); and,

WHEREAS, the HUD Loan Documents were still under HUD review when provided to the City, and due to the ongoing federal government shutdown, the City staff have been unable to contact the appropriate staff at HUD to verify that the HUD Loan Documents are in final form acceptable to HUD; and,

WHEREAS, changes to the HUD Loan Documents may be required when the HUD staff are allowed to return to work and complete their review of the HUD Loan Documents.

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

Section 1. That this Council does hereby institute proceedings and take additional action for the authorization and issuance in the manner required by law of not to exceed \$8,500,000 Urban Renewal Revenue Refunding Section 108 Government Guaranteed Participation Certificates and one or more Notes issued as part of said Series, for the foregoing purpose.

Section 2. That the City Manager, Mayor and City Clerk, in consultation with the Legal Department, for and on behalf of the City, are hereby authorized, empowered and directed to



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negotiate such terms, do all such acts, and to execute all such documents as may be necessary to effectuate issuance of the Certificates and Notes on a basis favorable to the City; to do such acts, and to execute such documents as are necessary to arrange and secure such interim financing as may be necessary; and to pledge any and all sources authorized under Iowa Code Section 403.9 to secure and pay the Certificates and Notes, including, but not limited to the execution of the following documents, with such changes as may be required by HUD and determined by the City Manager and Legal Department to not be materially detrimental to the City's interests:

- a) Variable/Fixed Rate Note No. B-06-MC-19-0003 (restated) in the amount of \$8,326,000 to HUD's nominee.
b) Contract for Loan Guarantee Assistance under Section 108 of the Housing and Community Development Act of 1974, as Amended, 42 U.S.C. §5308 (restated), with HUD for the Variable/Fixed Rate Note described above.
c) Such additional security as is required by HUD for the Variable/Fixed Rate Note described above.

Section 3. That outstanding Section 108 Government Guaranteed Participation Certificates, Series HUD 2008-A and Note issued as part of said Series, shall be and the same are hereby redeemed.

Section 4. The City Manager, or his designee, is hereby authorized and directed to cause notice of such redemption as is required under the terms of the Series HUD 2008-A Certificates and Notes.

MOVED by Mandelbaum to adopt.

FORM APPROVED:

(Council Communication No. 19-024)

Roger K Brown

Roger K. Brown, Assistant City Attorney

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Table with 5 columns: COUNCIL ACTION, YEAS, NAYS, PASS, ABSENT. Rows include COWNIE, BOESEN, COLEMAN, GATTO, GRAY, MANDELBAUM, WESTERGAARD, and TOTAL (7).

CERTIFICATE

I, DIANE RAUH, 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 J. M. Franke Cownie Mayor

Diane Rauh City Clerk