

Midway City Council  
18 February 2020  
Regular Meeting

Open Space Advisory Committee /  
Open Space Projects and Bonds

# Memo



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Date: February 18, 2020  
To: Midway City Council  
From: Michael Henke  
Re: Open Space Projects and Bonds

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The purpose of this memo is to give the City Council information regarding projects that could be considered by the City, and potentially be approved, which would allow open space bond funds to be used for purchasing conservation easements. The City will need to decide when and of what quantity the bonds will be issued. The City can issue the 5 million approved bond funds in one issuance or multiple issuances. There are financial implications that must be considered for both options so staff would like to provide the City Council with some information so a decision can be made. Potential projects are listed below with minimal information to give a general idea of what may be brought before the City Council in the future.

	Acreage	Potential City bond contribution	Year	Zoning	Estimate of potential density
	60	1 million	2020	RA-1-43	75 dwellings
	24	?	2021	RA-1-43	20 dwellings
	22	?	2021	RA-1-43	18 dwellings
	43	1-1.5 million	2021	RA-1-43	36 dwellings
	21	1 million	2021	R-1-22	42 dwellings
	10	200k -500k	2020	R-1-15	30 dwellings
	41	Free	2020	RA-1-43	34 dwellings
	117	?	2021	Multiple	75 dwellings
	78	2 million	2020	Multiple	70+ dwellings
Total	416	6+ million			400+ dwellings

March							April							May						
Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3	4	5	6	7				1	2	3	4						1	2
8	9	10	11	12	13	14	5	6	7	8	9	10	11	3	4	5	6	7	8	9
15	16	17	18	19	20	21	12	13	14	15	16	17	18	10	11	12	13	14	15	16
22	23	24	25	26	27	28	19	20	21	22	23	24	25	17	18	19	20	21	22	23
29	30	31	26	27	28	29	30	24	25	26	27	28	29	30	31					

Day	Date	Event	Responsibility
Thursday	February 20	Zions Public Finance distributes Calendar of Events and Distribution List.	MA
Tuesday	February 25	Bond Counsel distributes draft Authorizing Resolution to working group.	BC
Wednesday	February 26	Authorizing Resolution is placed on City Council Agenda for Tuesday, March 3, 2020	BC
Friday	February 28	Draft of Preliminary Official Statement (P.O.S.) distributed to working group.	MA
Tuesday	March 3	Regular City Council Meeting to adopt Authorizing Resolution.	ALL
Friday	March 6	"Notice of Bonds to be Issued" is sent to the Utah Public Meeting Notice website.	BC
Friday	March 6	"Notice of Bonds to be Issued" is delivered to <i>The Wasatch Wave</i> for publication.	BC
Thursday	March 12	Publication of "Notice of Bonds to be Issued" in <i>The Wasatch Wave</i> . (Begins 30-day contest period).	N
Week of	March 6	Due Diligence Meeting to review P.O.S. (time/place TBD).	ALL
Thursday	March 19	Rating information sent to S&P.	MA
Week of	March 23	Rating presentation.	CR, MA
Monday	April 6	Rating received.	MA
Tuesday	April 7	Final P.O.S. and Official Notice of Bond Sale sent to prospective bidders.	MA
Saturday	April 11	30-day contest period expires.	
Thursday	April 16	Competitive bond sale, 9:45 AM.	ALL
Friday	April 24	Final Official Statement delivered to Underwriter.	MA
Friday	April 24	Closing documents are distributed to working group.	BC
Wednesday	April 29	Pre-Closing (as arranged by Bond Counsel).	BC, M, CR
Tuesday	May 5	Closing: Delivery of Funds (Gilmore & Bell and by conference call; 9:30AM).	ALL

\*Preliminary, subject to change

## Midway City General Obligation Bond Scenarios

	Par Amount	Proceeds Amount	Total P&I	Avg Annual Payment	Costs of Issuance	Underwriter's Discount	Insurance	TIC	AIC
<b>Option 1: Market Deal in 2020</b>									
\$5M Proceeds	\$ 4,490,000	\$ 5,000,000	\$ 6,296,194	\$ 314,800	\$ 85,000	\$ 22,450	\$ 15,740	2.11%	2.30%
<b>Option 2: Two DP Deals in 2020 and 2021</b>									
\$2.5M Par 2020	\$ 2,500,000	\$ 2,460,000	\$ 3,215,844	\$ 160,790	\$ 40,000	-	-	2.52%	2.69%
\$2.5M Par 2021	2,500,000	2,460,000	3,215,844	160,790	40,000	-	-	2.52%	2.69%
<b>Total DP</b>	<b>\$ 5,000,000</b>	<b>\$ 4,920,000</b>	<b>\$ 6,431,688</b>	<b>\$ 321,580</b>	<b>\$ 80,000</b>			<b>2.52%</b>	<b>2.69%</b>
<b>Difference</b>	<b>\$ (510,000)</b>	<b>\$ 80,000</b>	<b>\$ (135,494)</b>	<b>\$ (6,780)</b>	<b>\$ 5,000</b>	<b>\$ 22,450</b>	<b>\$ 15,740</b>	<b>-0.41%</b>	<b>-0.39%</b>

