



# City of Hudson, Ohio

## Staff Report With Text

**File #:** 16-124      **Version:** 1      **Name:**

**Type:** Ordinance      **Status:** Passed

**File created:** 7/11/2016      **In control:** City Council

**On agenda:** 7/19/2016      **Final action:** 7/19/2016

**Title:** AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF \$233,334 OF NOTES, IN ANTICIPATION OF THE ISSUANCE OF BONDS, FOR THE PURPOSE OF PAYING COSTS OF IMPROVING CITY PROPERTY CONSTITUTING THE SITE OF THE FORMER CUYAHOGA COUNTY YOUTH DEVELOPMENT CENTER BY PERFORMING SITE CLEARANCE, IMPROVEMENT AND PREPARATION AND PLACING THE SITE IN A CONDITION FOR USE AND OPERATION FOR CITY PURPOSES, AND DECLARING AN EMERGENCY.  
Executive Summary: This Ordinance approves the rollover of \$233,334 in notes for the demolition of the buildings on the former YDC property. The original notes were \$1.4 million in 2013. In 2014, the City paid down on the note to \$700,000; in 2015, the City paid down the note by \$233,333 and again in 2016 by \$233,333, leaving a balance of \$233,334.

**Sponsors:** David A. Basil

**Indexes:** Finance - Bonds and Notes

**Code sections:**

**Attachments:** 1. Fiscal Officer's Certificate, 2. Ordinance No. 16-124

| Date      | Ver. | Action By    | Action                                       | Result |
|-----------|------|--------------|--|--------|
| 7/19/2016 | 1    | City Council | to suspend the rule requiring three readings | Pass   |
| 7/19/2016 | 1    | City Council | adopted with rule suspension                 | Pass   |

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### Legislative History

Ordinance No. 13-80, passed on June 5, 2013, authorized the issuance of \$1,400,000 in notes for the demolition of the buildings at the former YDC property.

Ordinance No. 14-98, passed on July 16, 2014, authorized the issuance of \$700,000 in notes to roll-over 1/2 of the original note issuance.

Ordinance No. 15-95, passed on July 21, 2015, authorized the issuance of \$466,667 in notes to roll over 2/3 of the remaining note.

#### Purpose & Explanation

The purpose of the note issuance is to pay off \$233,333 of the outstanding balance of the \$466,667 notes that will mature July 22, 2016. The City will use the proceeds of the note (\$233,334) plus \$233,333 from the General Fund for the repayment.

As discussed during the 2016 budget process, these notes are considered internal and will be purchased by the City. The interest rate on the new note is .50%.

The final payment on the demolition notes will be included in the 2017 Budget.

#### Timing Considerations

Staff is requesting emergency language to allow for timely retirement of the maturing notes.

#### Fiscal Impact

☒ Currently Budgeted  
☐ Supplemental Appropriation Required  
☐ Appropriation Not Required.

#### Suggested Action

Staff recommends authorization to issue notes in the amount of \$233,334 and requests Council action on first reading.

#### Submitted by,

Jane Howington, City Manager

Jeffery Knoblauch, Finance Director