

REQUEST FOR COUNCIL ACTION

Subject: Public hearing on the proposed issuance and sale of sales tax revenue bonds of the City of West Jordan.

Discussion: The parameters resolution, prepared by Ballard Spahr LLP, authorizing the issuance and sale of up to \$45,000,000 of sales tax revenue bonds was passed on Aug. 24, 2016 so we can begin the bond process. These bonds would be issued so that the City can finance the costs associated with the improvements and construction of a City Recreation Center. The City Council along with staff, discussed the possibility of issuing these bonds in early 2016.

Fiscal Impact: The City will sell approximately \$45,000,000 worth of sales tax revenue bonds. The bonds will be paid back with proceeds from sales tax revenue over the next 30 years. The exact fiscal impact will not be known until the bonds are issued.

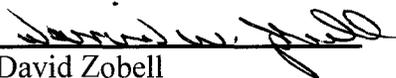
Attachments:

Recommendation: Receive input from the public with respect to the issuance and sale of the City's sales tax revenue bonds for the purpose of financing the improvements and construction of a City Recreation Center and, paying the costs of issuance of the Series 2016 Bonds.

Motion Recommended:

Roll Call Vote Required

Prepared by:


David Zobell
City Treasurer

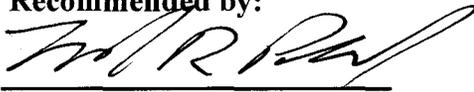
Reviewed and Concurred by:


Bill Pyper
Interim Finance Director CFO

Approved by:


David Brickey
City Attorney

Recommended by:


Mark R. Palesh
City Manager



NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED

NOTICE IS HEREBY GIVEN pursuant to the provisions of the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the "Bond Act"), and the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended (the "Refunding Bond Act" and collectively with the Bond Act, the "Act"), that on August 24, 2016, the City Council (the "Council") of the City of West Jordan, Utah (the "Issuer"), adopted a resolution (the "Resolution") in which it authorized the issuance of the Issuer's Sales Tax Revenue and Refunding Bonds, Series 2016 (the "Series 2016 Bonds") (to be issued in one or more series and with such other series or title designation(s) as may be determined by the Issuer), and called a public hearing to receive input from the public with respect to (a) the issuance of that portion of the Series 2016 Bonds issued under the Bond Act and (b) any potential economic impact that the Project described herein to be financed with the proceeds of the Series 2016 Bonds issued under the Bond Act may have on the private sector.

TIME, PLACE AND LOCATION OF PUBLIC HEARING

The Issuer shall hold a public hearing on September 21, 2016, at the hour of 6:00 p.m. at 8000 South Redwood Road, West Jordan, Utah. The purpose of the hearing is to receive input from the public with respect to (a) the issuance of that portion of the Series 2016 Bonds issued under the Bond Act and (b) any potential economic impact that the Project to be financed with the proceeds of that portion of the Series 2016 Bonds issued under the Bond Act may have on the private sector. All members of the public are invited to attend and participate.

PURPOSE FOR ISSUING THE SERIES 2016 BONDS

The Series 2016 Bonds will be issued for the purpose of (a) in the case of the portion of the Series 2016 Bonds issued under the Bond Act, financing the costs of a new City recreation center and related improvements (collectively, the "2016 Project"), (b) in the case of the portion of the Series 2016 Bonds issued under the Refunding Bond Act, refunding a portion of the Issuer's outstanding sales tax revenue bonds (the "Refunded Bonds") in order to achieve a debt service savings, (c) funding any debt service reserve funds, as necessary, and (d) paying costs of issuance of the Series 2016 Bonds.

PARAMETERS OF THE SERIES 2016 BONDS

The Issuer intends to issue the Series 2016 Bonds in the aggregate principal amount of not more than Forty-Five Million Dollars (\$45,000,000), with not to exceed \$2,000,000 issued under the Refunding Bond Act, to mature in not more than thirty (30) years from their date or dates, to be sold at a price not less than ninety-eight percent (98%) of the total principal amount thereof, and bearing interest at a rate or rates not to exceed five and one-half percent (5.50%) per annum. The Series 2016 Bonds are to be issued and sold by the Issuer pursuant to the Resolution, including as part of said Resolution, a General Indenture of Trust and a Supplemental Indenture (collectively, the "Indenture") which were before the Council in substantially final form at the time of the adoption of the Resolution and said Indenture is to be executed by the Issuer in such form and with such changes thereto as shall be approved by the Issuer; provided that the principal amount, interest rate or rates, maturity, and discount of the Series 2016 Bonds will not exceed the maximums set forth above. The Issuer reserves the right to not issue the Series 2016 Bonds for any reason and at any time up to the issuance of the Series 2016 Bonds.

EXCISE TAXES PROPOSED TO BE PLEDGED

The Issuer proposes to pledge 100% of the revenues produced by local sales and use taxes levied by the Issuer under the Local Sales and Use Tax Act, Title 59, Chapter 12, Part 2, Utah Code (the "Revenues").

OUTSTANDING BONDS SECURED BY PLEDGED TAXES

Other than the proposed Series 2016 Bonds, the Issuer currently has \$8,650,000 of bonds outstanding secured by the Revenues.

OTHER OUTSTANDING BONDS OF THE ISSUER

Additional information regarding the Issuer's outstanding bonds may be found in the Issuer's financial report (the "Financial Report") at: <http://secure.utah.gov/auditor-search/>. For additional information, including any information more recent than as of the date of the Financial Report, please contact Bill Pyper, acting Finance Director at (801)569-5009.

TOTAL ESTIMATED COST OF BONDS ISSUED UNDER THE BOND ACT

Based on the Issuer's current plan of finance and a current estimate of interest rates, the total principal and interest cost of the Series 2016 Bonds to be issued under the Bond Act to finance the Project, if held until maturity, is \$62,993,139.

A copy of the Resolution and the Indenture are on file in the office of the West Jordan City Clerk, 8000 South Redwood Road, West Jordan, Utah, where they may be examined during regular business hours of the City Clerk from 8:00 a.m. to 5:00 p.m. Monday through Friday, for a period of at least thirty (30) days from and after the date of publication of this notice.

NOTICE IS FURTHER GIVEN that a period of thirty (30) days from and after the date of the publication of this notice is provided by law during which (i) any person in interest shall have the right to contest the legality of the Resolution, the Indenture (as it pertains to the Series 2016 Bonds), or the Series 2016 Bonds, or any provision made for the security and payment of the Series 2016 Bonds, and that after such time, no one shall have any cause of action to contest the regularity, formality, or legality thereof for any cause whatsoever and (ii) registered voters within the City of West Jordan, Utah may sign a written petition requesting an election to authorize the issuance of the Series 2016 Bonds. If written petitions which have been signed by at least 20% of the registered voters of the City of West Jordan, Utah are filed with the Issuer during said 30-day period, the Issuer shall be required to hold an election to obtain voter authorization prior to the issuance of the Series 2016 Bonds. If fewer than 20% of the registered voters of the City of West Jordan, Utah file a written petition during said 30-day period, the Issuer may proceed to issue the Series 2016 Bonds without an election.

DATED this August 24, 2016.

/s/ Melanie Briggs

City Clerk