



**PUBLIC HEARING FOR SERIES 2019B TAX LEASE
REVENUE BONDS IN AN AGGREGATE PRINCIPAL
AMOUNT NOT TO EXCEED \$43,000,000 TO
FINANCE CONSTRUCTION OF NEW MAIN LIBRARY
PROJECT**

Finance Department

City Council/Public Financing Authority
May 21, 2019

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BACKGROUND

1. May 16, 2017 - New Main Library Measure Z Funding Priority
2. October 3, 2017 - Design Approved / Funds Allocated to Measure Z Five-Year Spending Plan
3. February 20, 2018 - Financing Team Approved
4. February 5, 2019 - Approved Construction Bid for Library
5. February 5, 2019 - Traditional Bond Financing Option



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PROPOSED TRANSACTION

1. Lease Revenue Bonds Secured by “Collateral”
 - A. City Hall
 - B. Lincoln Avenue Police Station
 - C. Bobby Bonds Park
 - D. Corporation Yard Administration Building and Annex
 - E. Library Facility (When Construction Complete)
2. Principal Not To Exceed \$43 Million
3. Underwriter’s Discount Not to Exceed 1%
4. 17 Year Maturity – Corresponds to Measure Z Transaction and Use Tax



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GOOD FAITH ESTIMATES

1. Total Finance Charge - \$453,250
2. Aggregate Principal - \$35.5 million, \$5.085 million premium
3. Estimated True Interest Cost of Bonds – 3.33%
4. Amount of Estimated Bond Proceeds - \$40 million
5. Total Payment Amount to Final Maturity - \$53,382,000
6. Estimated Average Annual Debt Service Payment - \$3,149,353 Included in Measure Z 5-Year Spending Plan



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RECOMMENDATIONS

1. That the City Council conduct a public hearing and adopt the attached Resolution authorizing the issuance of the Riverside Public Financing Authority (the "Authority") Series 2019B Tax Exempt Lease Revenue Bonds (the "2019B Bonds") in an aggregate principal amount not to exceed \$43,000,000 to finance construction of the new Main Library Project, and authorize the Mayor, City Manager, and the Chief Financial Officer or designees to execute the documents and make certain changes as required to close the transaction; and
2. That the Riverside Public Financing Authority adopt the attached Resolution authorizing the issuance of the Riverside Public Financing Authority (the "Authority") Series 2019B Tax Exempt Lease Revenue Bonds (the "2019B Bonds") in an aggregate principal amount not to exceed \$43,000,000 to finance construction of the new Main Library Project, and authorize the Officers and Agents of the Authority to execute the documents and make certain changes as required to close the transaction.

