



Work Session Meeting Agenda
2 Park Drive South, Great Falls, MT
Commission Chambers, Civic Center
August 04, 2020
5:30 PM

UPDATES CONCERNING PROCESS OF MEETINGS

Due to the COVID-19 health concerns, the format of the City Commission meeting may be modified to accommodate Commission member attendance in person, via a remote location/virtual meeting method, or to appear telephonically. In order to honor the Right of Participation and the Right to Know (Article II, Sections 8 and 9 of the Montana Constitution), modifications have also been made for public participation. Public participation is welcome in the following ways:

- Attend in person. Refrain from attending in person if you are not feeling well. The City will require social distancing at the meeting, and may limit the number of persons in the meeting room according to applicable health guidelines.
- Provide public comments via email. Comments may be sent via email before 12:00 PM on Tuesday, August 4, 2020, to: commission@greatfallsmt.net. Include the agenda item or agenda item number in the subject line, and include the name of the commenter and either an address or whether a city resident. Written communication received by that time will be shared with the City Commission and appropriate City staff for consideration during the agenda item and before final vote on the matter; and, will be so noted in the official record of the meeting.
- Call-in. The public may call in during specific public comment periods at [406-761-4786](tel:406-761-4786). All callers will be in a queued system and are asked to remain on hold and be patient. Calls will be taken in the order in which they are received. Callers will be restricted to customary time limits. We ask for your patience in the event there are technical difficulties.
- The agenda packet material is available on the City's website: <https://greatfallsmt.net/meetings>. The Public may view and listen to the meeting on government access channel City-190, cable channel 190; or online at <https://greatfallsmt.net/livestream>.

CALL TO ORDER

PUBLIC COMMENT

(Public comment on any matter on the agenda or that is within the jurisdiction of the City Commission. Please keep your remarks to a maximum of five (5) minutes. Speak into the microphone, and state your name and either your address or whether you are a city resident for the record.)

WORK SESSION ITEMS

- 1.** Civic Center Facade – Financing Overview and Required Amendments to the Urban Renewal Plan for the Downtown Tax Increment Financing District. Presented by: Craig Raymond and Melissa Kinzler.

DISCUSSION POTENTIAL UPCOMING WORK SESSION TOPICS

ADJOURNMENT

City Commission Work Sessions are televised on cable channel 190 and streamed live at <https://greatfallsmt.net>. Work Session meetings are re-aired on cable channel 190 the following Thursday morning at 10 a.m. and the following Tuesday evening at 5:30 p.m.

Wi-Fi is available during the meetings for viewing of the online meeting documents.

UPCOMING MEETING SCHEDULE

Work Session - Tuesday August 18, 2020 5:30 p.m.

Commission Meeting - Tuesday August 18, 2020 7:00 p.m.

Work Session - Tuesday September 1, 2020 5:30 p.m.

Commission Meeting - Tuesday September 1, 2020 7:00 p.m.

Special Commission Work Session - Tuesday September 8, 2020 5:30 p.m.

**City of Great Falls
Finance Department**

Memo

To: Greg Doyon, City Manager

From: Melissa Kinzler, Finance Director

Date: July 17, 2020

Re: Financing of debt for the Civic Center Façade from the Downtown Urban Renewal District TIF (Downtown TIF)

After the approval of the Civic Center Façade (Façade) project by the City Commission, financing of the project may start. The debt for the Civic Center Façade cannot be issued before January 1, 2021. There are federal regulations that only \$10,000,000 of nontaxable debt can be issued in a calendar year. Issuing the Façade debt in calendar year 2020 would put the City of Great Falls over this limit, making the debt issuance a taxable issuance. This would be detrimental to issuing the bonds. This timeframe will allow one year of history to be recorded of the additional tax increment revenue collected in the Downtown TIF (Fiscal Year 2020), plus the Incremental Value of the District will be set for Tax Year 2020, Fiscal Year 2021.

The first step in the debt service process is to engage an underwriter. The City of Great Falls has engaged DA Davidson as an underwriter in the past and staff would suggest this arrangement continue. The debt issuance process takes around 3 months once an underwriter is engaged, using estimates from the timeline of the last debt issuance in April 2020. The timeframe may increase or decrease depending on the milestones along the way. Some milestones along the way include:

- City Commission adopts a Bond Resolution authorizing issuance of the bonds with terms and conditions
- Completion of the Preliminary Official Statement (POS)
- Sale of the bonds by the underwriter
- City Commission adopts final Bond Resolution
- Closing/ delivery of Bond proceeds

The estimate of the cost of the bonds ranges from \$5,500,000 to \$6,000,000. The amounts may change as additional costs are recognized. If the City issues 20 year bonds at 4%, the annual

debt service payments would be \$405,000 for \$5,500,000 and \$440,000 for \$6,000,000. The revenue collections for FY 2020 in the Downtown TIF were \$1,212,872. Issuing 20 year debt will also extend the district until 2041.

If you have any additional questions or concerns please let me know.

LOAN AMORTIZATION SCHEDULE

ENTER VALUES

Loan amount	\$6,000,000.00
Annual interest rate	4.00%
Loan period in years	20
Number of payments per year	1
Start date of loan	1/1/2021
Optional extra payments	\$0.00

LOAN SUMMARY

Scheduled payment	\$441,490.50
Scheduled number of payments	20
Actual number of payments	20
Total early payments	\$0.00
Total interest	\$2,829,810.04

LENDER NAME

PMT NO	PAYMENT DATE	BEGINNING BALANCE	SCHEDULE D PAYMENT	EXTRA PAYMENT	TOTAL PAYMENT	PRINCIPAL	INTEREST	ENDING BALANCE	CUMULATIVE INTEREST
1	1/1/2021	\$6,000,000.00	\$441,490.50	\$0.00	\$441,490.50	\$201,490.50	\$240,000.00	\$5,798,509.50	\$240,000.00
2	1/1/2022	\$5,798,509.50	\$441,490.50	\$0.00	\$441,490.50	\$209,550.12	\$231,940.38	\$5,588,959.38	\$471,940.38
3	1/1/2023	\$5,588,959.38	\$441,490.50	\$0.00	\$441,490.50	\$217,932.13	\$223,558.38	\$5,371,027.25	\$695,498.75
4	1/1/2024	\$5,371,027.25	\$441,490.50	\$0.00	\$441,490.50	\$226,649.41	\$214,841.09	\$5,144,377.84	\$910,339.84
5	1/1/2025	\$5,144,377.84	\$441,490.50	\$0.00	\$441,490.50	\$235,715.39	\$205,775.11	\$4,908,662.45	\$1,116,114.96
6	1/1/2026	\$4,908,662.45	\$441,490.50	\$0.00	\$441,490.50	\$245,144.00	\$196,346.50	\$4,663,518.44	\$1,312,461.46
7	1/1/2027	\$4,663,518.44	\$441,490.50	\$0.00	\$441,490.50	\$254,949.76	\$186,540.74	\$4,408,568.68	\$1,499,002.19
8	1/1/2028	\$4,408,568.68	\$441,490.50	\$0.00	\$441,490.50	\$265,147.75	\$176,342.75	\$4,143,420.93	\$1,675,344.94
9	1/1/2029	\$4,143,420.93	\$441,490.50	\$0.00	\$441,490.50	\$275,753.66	\$165,736.84	\$3,867,667.26	\$1,841,081.78
10	1/1/2030	\$3,867,667.26	\$441,490.50	\$0.00	\$441,490.50	\$286,783.81	\$154,706.69	\$3,580,883.45	\$1,995,788.47
11	1/1/2031	\$3,580,883.45	\$441,490.50	\$0.00	\$441,490.50	\$298,255.16	\$143,235.34	\$3,282,628.29	\$2,139,023.81
12	1/1/2032	\$3,282,628.29	\$441,490.50	\$0.00	\$441,490.50	\$310,185.37	\$131,305.13	\$2,972,442.91	\$2,270,328.94
13	1/1/2033	\$2,972,442.91	\$441,490.50	\$0.00	\$441,490.50	\$322,592.79	\$118,897.72	\$2,649,850.13	\$2,389,226.65
14	1/1/2034	\$2,649,850.13	\$441,490.50	\$0.00	\$441,490.50	\$335,496.50	\$105,994.01	\$2,314,353.63	\$2,495,220.66
15	1/1/2035	\$2,314,353.63	\$441,490.50	\$0.00	\$441,490.50	\$348,916.36	\$92,574.15	\$1,965,437.28	\$2,587,794.81
16	1/1/2036	\$1,965,437.28	\$441,490.50	\$0.00	\$441,490.50	\$362,873.01	\$78,617.49	\$1,602,564.26	\$2,666,412.30
17	1/1/2037	\$1,602,564.26	\$441,490.50	\$0.00	\$441,490.50	\$377,387.93	\$64,102.57	\$1,225,176.33	\$2,730,514.87
18	1/1/2038	\$1,225,176.33	\$441,490.50	\$0.00	\$441,490.50	\$392,483.45	\$49,007.05	\$832,692.88	\$2,779,521.92
19	1/1/2039	\$832,692.88	\$441,490.50	\$0.00	\$441,490.50	\$408,182.79	\$33,307.72	\$424,510.10	\$2,812,829.64
20	1/1/2040	\$424,510.10	\$441,490.50	\$0.00	\$424,510.10	\$407,529.69	\$16,980.40	\$0.00	\$2,829,810.04