

## STAFF REPORT

April 26, 2021

**Topic:** First reading of Resolution 2021-06 relative to the issuance of a bond to reimburse the City for certain property purchases.

**Discussion:** In 2020 the City purchased property located at 30 and 50 Church Street and associated parking areas from the Roman Catholic Bishop of Manchester for \$1.13 million. The 30 Church Street property has since been resold for \$447,188.29. As per prior Council votes, it is anticipated that the 50 Church Street property will be sold. The City intends to retain ownership of the parking areas as a long-term asset. It is proposed that a bond with a term of ten years be issued covering the remaining balance of approximately \$683,000 to distribute the fiscal impact of this purchase.

**Fiscal Impact:** The exact fiscal impact is conditional on interest rates at the date of issuance. Given recent experience staff projects an interest rate of approximately 2.0%. With this assumption the projected interest cost associated with this bond over the ten-year proposed term is \$75,000.

**Staff Recommendation:** The City Manager recommends approving the attached resolution authorizing a bond in the amount of \$683,000.

**This report submitted by:** Glenn Smith, Finance Director

### **Proposed Motions:**

*“I move to waive a reading of this Resolution in its entirety and to read by title only.”*

*“I move a first reading of Resolution 2021-06, relative to authorizing bonds and notes of the City for property acquisition in the amount of \$683,000.”*

*“I move to schedule a Public Hearing on May 10, 2021 during the regular City Council meeting regarding Resolution 2021-06, relative to authorizing bonds and notes of the City for property acquisition in the amount of \$683,000.”*