



Legislation Text

File #: 50028, **Version:** 1

Fiscal Note

These bonds refinance lease revenue bonds originally issued by the Community Development Authority in 1999 to finance the construction of a parking ramp for the Monona Terrace Convention Center Hotel. Debt service on the bonds is paid through a combination of property tax increment in Tax Increment District 25 from the convention center hotel (Monona Terrace Hilton) and payments from the developer (Marcus Corporation). The refinancing reduces the remaining interest costs by a net present value of \$312,573, or 5.7% of the refunded debt service. The winning bid on the bonds has a true interest cost of 2.64%. The current interest rate on the bonds is 7.1%. Coupon rates over the remaining 5 years of the amortization period vary from 2.0% to 2.7%. The debt service reserve fund of \$1 million on the current bonds will be liquidated and used, along with the proceeds from this bond issue, to refund the remaining principal on the 1999 bond issue.

Title

CDA Resolution # 4255 - Authorizing and awarding \$3,960,000 taxable redevelopment lease revenue bonds, series 2018A (Monona Terrace Hotel Parking Facility Project), establishing interest rates thereon, approving the execution and delivery of certain documents and authorizing certain other matters in relation thereto.