



Request for City Council Committee Action From the Finance & Property Services Department

Date: July 28, 2014

To: The Honorable John Quincy, Chair, Ways and Means Committee
Referral to:

Subject: Nicollet Mall Reconstruction Financing

Recommendation:

Authorize the Finance Officer to release a Request for Proposal (RFP) for financing options for Nicollet Mall Reconstruction.

Previous Directives:

- June 17, 2014 – Approve concept design and project budget, authorize staff to accept and execute State Grant Agreement, authorize contracts with consultants, negotiate easements, appoint Nicollet Mall Implementation Committee.
- October 4, 2013 - Authorizing negotiation and execution of a contract with James Corner Field Operations for concept design of the Nicollet Mall Reconstruction Project
- June 18, 2013 – Issuance of an RFP and execution of design stipends with finalist design teams
- April 16, 2013 – Receive and file update on Nicollet Mall Redesign and issuance of RFQ.
- December 12, 2012 - 2012R-655, Adopting the 2013-2017 Five Year Capital Program, including \$555,000 for Nicollet Mall Planning (CPV085).

Department Information:

Prepared or Submitted by Michael Abeln, Director, Capital & Debt Mgmt, 673-3496

Approved by: Kevin Carpenter, Chief Financial Officer _____

Jay Stroebel, Acting City Coordinator _____

Presenters in Committee: Michael Abeln, Director, Capital & Debt Mgmt, 673-3496

Financial Impact (Check those that apply)

No financial impact

(If checked, go directly to Background/Supporting Information)

Other financial impact (Explain): Bond refunding for interest savings.

Request provided to the Budget Office when provided to the Committee Coordinator

Community Impact (use any categories that apply)

Not applicable

Background/Supporting Information

The Nicollet Mall Reconstruction project has been authorized and the City is working with design consultants and others to begin planning for the \$50 million project.

Project funding is to be provided as follows:

\$25,000,000 Special Assessments to property owners

\$21,500,000 State Grant

\$ 3,500,000 City Match

To obtain the most competitive financing rates for this project, the Finance Officer is requesting authorization to release a Request for Proposal (RFP) to solicit bids from a number of local and national banks. The City has engaged an independent municipal advisor to assist us in developing the RFP requirements and provisions and in evaluation of proposals received.

Several actions regarding establishment of the special assessments, authorization for issuance of bonds, IRS intent to reimburse with bonds and executing the state grant will be forthcoming as this project proceeds.

Upon completion of the RFP process and other appropriate approvals for issuance of debt, the Finance Officer will bring forward a financing recommendation for Council approval.