

CITY OF LA VISTA
MAYOR AND CITY COUNCIL REPORT
JUNE 5, 2018 AGENDA

Subject:	Type:	Submitted By:
RATIFYING THE CALL FOR THE REDEMPTION OF ECONOMIC DEVELOPMENT FUND BONDS SERIES 2007	◆ RESOLUTION ORDINANCE RECEIVE/FILE	KEVIN POKORNY DIRECTOR OF ADMINISTRATIVE SERVICES

SYNOPSIS

A Resolution has been prepared ratifying the City's call for the redemption of the Economic Development Fund Bonds Series 2007 in a principal amount not to exceed \$15,640,000.

FISCAL IMPACT

The savings to the City will be the balance of the principle on the bonds of \$15,640,000.

RECOMMENDATION

Approval.

BACKGROUND

In 2007, the City entered into agreement to issue a promissory note to JQH – La Vista Conference Center Development, LLC for \$18,000,000. JQH agreed to make quarterly interest installments beginning October 1, 2007 until the due date of September 30, 2017. On June 26, 2016, the JQH Trust filed Chapter 11 Bankruptcy delaying final payment to the City. In April of 2018, a Claim Allowance Settlement Agreement was reached between JQH Trust and the City, which was confirmed by the U.S. Bankruptcy Court for the District of Kansas, Kansas City Division. On May 17, 2018, the City received the fully agreed upon payment from JQH Trust for \$16,023,483.09. Direction for Call on the Economic Development Fund Bonds, Series 2007 was filed with EMMA on May 21, 2018 with a call for redemption on June 20, 2018.

RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF LA VISTA, NEBRASKA RATIFYING THE CALL FOR THE REDEMPTION OF ECONOMIC DEVELOPMENT FUND BONDS, SERIES 2007

BE IT RESOLVED by the Mayor and City Council of the City of La Vista, Nebraska:

Section 1. That the following bonds of the City of La Vista, Nebraska (the "City"), which are callable at any time on or after July 24, 2012, have been called for redemption on June 20, 2018 as set forth in the Direction for Call (as defined below):

Economic Development Fund Bonds, Series 2007, date of original issue—

July 24, 2007, in the principal amount of Fifteen Million Six Hundred Forty Thousand Dollars (\$15,640,000), numbered as shown on the books of the Paying Agent becoming due and bearing interest as follows:

<u>Principal</u>	<u>Maturing</u>	<u>Interest</u>	<u>CUSIP No.</u>
<u>Amount</u>	<u>October 15</u>	<u>Rate</u>	
	<u>Of Year</u>		
\$ 2,000,000	2020*	6.83%	505321 AG4
13,640,000	2029*	7.73	505321 AH2

Section 2. Said bonds are payable at the office of First National Bank of Omaha, Fremont, Nebraska, as paying agent and registrar (the "Paying Agent").

Section 3. The actions of the Mayor, City Administrator and Director of Administrative Services of the City (each, an "Authorized Officer") to direct the call of the Bonds at any time are hereby authorized, ratified and confirmed, and such determination, when made in writing (the "Direction for Call"), shall and does constitute the action of the City without further action of the Mayor and City Council of the City.

Section 4. A copy of the Direction for Call has been filed at least 30 days prior to the date of call with the Paying Agent and said Paying Agent is hereby irrevocably instructed to process such call of said bonds, all in accordance with the ordinance authorizing said called bonds.

PASSED AND APPROVED THIS 5TH DAY OF JUNE, 2018.

CITY OF LA VISTA

ATTEST:

Douglas Kindig, Mayor

Rachel D. Carl, CMC
Deputy City Clerk