Legislation Details (With Text)

File #:	21-903	**Version:**	1	**Name:**	
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File created:	9/14/2021			**In control:**	City Council Meeting
On agenda:	10/12/2021			**Final action:**	10/12/2021
Title:	Issuance of Fontana Public Facilities Financing Authority Lease Revenue Bonds, Series 2021A				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	1. City Authorizing Resolution, 2. Indenture, 3. Lease Agreement, 4. Memorandum of Lease, 5. Ground Lease, 6. Escrow Agreement, 7. Termination of Lease (2003), 8. Termination of Lease (2010), 9. Preliminary Official Statement - Rev.pdf, 10. Bond Purchase Agreement				

Date	Ver.	Action By	Action	Result
10/12/2021	1	City Council Meeting		

FROM:
Management Services

SUBJECT:
Issuance of Fontana Public Facilities Financing Authority Lease Revenue Bonds, Series 2021A

RECOMMENDATION:

COUNCIL GOALS:

- To practice sound fiscal management by developing long-term funding and debt management plans.

DISCUSSION:
The City is planning to issue $28 million of Fontana Public Facilities Financing Authority Lease Revenue Bonds, Series 2021A, to finance the following:

- The costs of construction of Fire Station No. 81 consisting of approximately 13,247 square feet to be located at the corner of Sierra Avenue and Casa Grande in the northern end of the City. Fire Station No. 81 will be constructed to meet a goal of providing less than five-minute response time 90% of the time by the Fire Protection District. Construction is anticipated to begin in January 2022 and be completed in December 2022. The total construction costs are estimated at approximately $12 million.

- The costs of construction of the Fire Protection District Training Facility consisting of 3,500 square feet including a 50-seat training classroom, a training tower, office space and storage, to be located on the site of future Fire Station No. 80 on Cherry Avenue between State Route 210 and South Highland Avenue in the northwest end of the City. Construction is anticipated to begin in April 2022 and be completed in March 2023. The total construction costs are

estimated at $10 million.

- The refinancing of the Fontana Public Financing Authority 2010 Lease Revenue Bonds (Fire Station No. 71 financing) which are currently outstanding in the aggregate principal amount of $4,995,000, to take advantage of historically low interest rates and produce present value savings of approximately $1.3 million.

This action is necessary to approve the issuance of the bonds and complies with the City's debt management objectives. The following documents, in their materially correct form, are attached hereto:

1. Indenture,
2. Lease Agreement,
3. Memorandum of Lease,
4. Ground Lease,
5. Escrow Agreement,
6. Termination of Lease (2003),
7. Termination of Lease (2010),
8. Preliminary Official Statement, and
9. Bond Purchase Agreement.

The companion actions to this item are on the Fontana Public Facilities Financing Authority agenda and the Fontana Public Financing Authority agenda for your consideration.

FISCAL IMPACT:
Costs of issuance will be paid from gross bond proceeds. Budget adjustments for the bond issuance will be included in the Mid-Year Budget Review. Future debt service payments will be included in future budgets.

MOTION:
Approve staff recommendation.