



RESOLUTION

AUTHORIZING THE MAYOR AND CITY TREASURER TO ISSUE BONDS NOT TO EXCEED THE AMOUNT OF EIGHT MILLION DOLLARS (\$8,000,000) FOR TWO CONTRSUTION PROJECTS, CONSISTING OF A PUBLICLY ACCESSIBLE GROUND LEVEL PARKING GARAGE (\$2,500,000) AND ADDITONAL FUNDING FOR THE PROPOSED PERFORMING ARTS CENTER (\$5,500,000)

CITY OF NASHUA

In the Year Two Thousand and Twenty

WHEREAS, the Board of Aldermen passed R-18-001 “Authorizing the Mayor and City Treasurer to issue bonds not to exceed the amount of fifteen million five hundred thousand dollars (\$15,500,000) for the Performing Arts Center located at 201 Main Street” on February 13, 2018.

WHEREAS, the Board of Aldermen passed R-18-092 on December 11, 2018, which amendment allowed borrowing for the design of the project prior to the raising of \$4,000,000 in private funds, including New Market Tax Credits, for the new performing arts center.

WHEREAS, the Board of Aldermen passed R-20-001 on February 2, 2020, which amended the time period on the expiration date of the Performing Arts Center project bonding authority until August 31, 2021 as it is relates to the additional \$4,000,000 to be raised.

NOW THEREFORE BE IT RESOLVED by the Board of Aldermen of the City of Nashua that the Mayor of the City of Nashua and the City Treasurer of the City of Nashua are hereby authorized to issue and sell general obligation bonds of the City in an aggregate principal not to exceed two million five hundred thousand dollars (\$2,500,000). The proceeds of said bonds shall be used for the construction of a publicly accessible ground level parking garage to a proposed 146 unit multi-family apartment project on a City owned parking lot, which would include an area for parking (approximately 48-50 spaces), a minimum amount of lobby and amenity space, fire stairs landing at grade from the building above, and mechanical spaces so serve the building with power, water, and other infrastructure. The useful life of the improvements is twenty-five years.

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R-20-071

FURTHER RESOLVED, by the Board of Aldermen of the City of Nashua that the Mayor of the City of Nashua and the City Treasurer of the City of Nashua are hereby authorized to issue and sell general obligation bonds of the City in an aggregate principal not to exceed five million five hundred thousand dollars (\$5,500,000). The proceeds of said bonds shall be used to pay construction costs of the Performing Arts Center project, in addition to all other amounts previously approved to be expended for that project. The stipulations approved by the Board of Aldermen under R-18-001, R-18-092, and R-20-001 will apply to this bond resolution (R-20-070). The useful life of the improvements is twenty-five years.

The amounts indicated above for each project are estimates and the Mayor may allocate more funds to any one or more of such projects, and less to others, so long as, in the judgment of the Mayor, each of the projects described above can be completed within the total appropriation made by this Resolution.

It is intent that a new Tax Increment Financing (TIF) district will be created that would fund the annual payments on this bond. The TIF will include certain properties on School Street and surrounding streets.

Pursuant to Nashua City Charter §54-a, this resolution requires a “duly advertised public hearing.” Also see N.H. RSA 33:9, which requires a 2/3 vote of all the members for passage of this resolution.

The bonds shall be general obligations of the City of Nashua, payable as to principal and interest from ad valorem taxes, which will be levied without limitation as to rate or amount on all taxable property within the territorial limits of the City of Nashua.

The bonds shall bear the manual or facsimile signature of the City Treasurer and the Mayor. In accordance with Chapter 91 of the New Hampshire Acts of 2005, bonds issued pursuant to this resolution shall not require an authenticating certificate of a bank or trust company doing business in the State of New Hampshire or The Commonwealth of Massachusetts, or the Commissioner of Revenue Administration.

The bonds are to be issued in fully-registered form by means of a book-entry system or otherwise and shall have such terms and conditions and be in such form, subject to the provisions of this resolution and applicable law, as shall be determined by the Mayor and the City Treasurer.

FURTHER RESOLVED, that the Mayor is authorized to enter into the required contracts therefor as well as any amendments to be made thereto or any other documentation necessary for the receipt of said funds.

LEGISLATIVE YEAR 2020

RESOLUTION:

R-20-071

PURPOSE:

Authorizing the Mayor and City Treasurer to issue bonds not to exceed the amount of eight million dollars (\$8,000,000) for two construction projects. The first being the construction of a publicly accessible ground level parking garage to a proposed 146 unit multi-family apartment project on a city owned parking lot, which would include an area for parking 48-50 spaces. The second being additional funding for the performance arts center. The new total amount needed for the performance arts center project will now be twenty one million dollars (\$21,000,000) - R-18-001 authorized \$15,500,000 and this current resolution R-20-070 authorizes \$5,500,000.

SPONSOR(S):

Mayor Jim Donchess

COMMITTEE ASSIGNMENT:

FISCAL NOTE:

It is anticipated that the bond would be sold in FY 21/22 for a term of twenty five years. It is estimated the interest rate will be approximately 2.5% (TAXABLE) and the total cost of the bond will be approximately \$10,664,225 including interest-level debt. The average annual payment will be approximately \$426,569. At this time it is undeterminable if the TIF district will have sufficient funds to cover the first 2 years of bond payments related to the PAC. It is also anticipated the full or a portion of the revenue derived from the sale of the air rights for the new apartments building may be available for these projects in anticipation of a supplemental appropriation request.

ANALYSIS

This resolution authorizes the City to issue and sell general obligation bonds up to \$8,000,000 for the Parking Garage and Performance Art Center (PAC) The garage has not been through the most recent Capital Improvements Program but it is scheduled for a meeting in September 2020. Funding for this bond will be generated through a new proposed Tax Increment Financing District (TIF). Pursuant to Nashua City Charter §54-a, this resolution requires a “duly advertised public hearing”. Also see NH RSA 33:9, which requires a 2/3 vote of all the members for passage of this resolution.

**Approved as to account
structure, numbers and
amount:**

Financial Services Division

By: /s/ David G. Fredette

Approved as to form:

Office of Corporation Counsel

By: /s/ Celia K. Leonard

Date: 9/2/2020