



MEMORANDUM

TO: MRA Board of Commissioners

FROM: Ellen Buchanan, Director **EB**

DATE: April 15, 2022

SUBJECT: Scott Street Redevelopment Project Infrastructure Reimbursement Resolution

In January, the MRA Board approved funding for the design of streets and utilities necessary to carry out the North Reserve/Scott Street Master Plan and create the parcels needed for the redevelopment of the eastern 9 acres of the property purchased from Scott Street LLP in 2020. At that time, the URD had adequate capacity to fund the professional engineering services using unobligated cash in the district. There will not be adequate capacity to construct the improvements without the issuance of debt and that will not be requested until we have firm costs in hand, likely this coming fall. As is typical with projects of this nature, the City Council is asked to approve a reimbursement resolution which allows MRA to fold the front-end design costs into the bond, freeing up cash in the district for use on other projects. We have done this on most or all of the previous bonds that were issued for infrastructure that is being paid for through the obligation of TIF revenues.

I have attached the Reimbursement Resolution prepared by our bond council, Dorsey & Whitney, along with the conceptual site plan which defines the street and utility locations. If the Board approves the staff recommendation, the resolution will be referred to City Council for action. This will allow all sums paid for design of the public improvements to be eligible for refunding to the North Reserve/Scott Street URD from the proposed bond proceeds. This is dependent on the City Council approving the sale of TIF Revenue Bonds for this purpose and would free up over \$300K to be used for other purposes in the district.

Recommendation: Staff recommends that the MRA Board approve the Reimbursement Resolution and direct staff to refer it to City Council for consideration with a recommendation that the City Council approve the Resolution.