

COUNCIL ITEMS & LIAISON REPORTS

Alderman Kooiker addressed (**No. LF013107-03** and **No. CC020507-03**), the Civic Center Alternative Funding Options pointing out the number of options presented by Mayor Shaw in December 2006. He also pointed out an option explored in 2005 regarding Certificates of Participation that was then determined not to work. Kooiker indicated the Civic Center could pay \$350,000 annually to reimburse the 2012 program, which would give more money for other projects. He asked that the Civic Center proceed with pre-selling the skyboxes and the naming rights. Kooiker asked the staff to perform a cost-benefit analysis on some of the other options presented by Mayor Shaw, and bring forward several recommendations for the Council's consideration. He suggested this effort would give an indication that the Council made an attempt to find other ways of funding the Civic Center expansion.

Kooiker moved, second by Schumacher to ask staff to identify alternative options relating to the Civic Center funding and bring forward three possible recommendations for consideration at the next Legal & Finance Committee meeting.

Regarding the Certificate of Participation, Alderman Johnson indicated that it was determined by the bankers that this option was not viable. Johnson explained that if not a municipal bond, but bank qualified, an investor must pay interest on the money they draw so they have to draw at least two percent higher. It would cost the City two percent more money to borrow the same amount of money, which makes it a no-win. Johnson recommended that the Council bond for the Civic Center expansion project. He suggested the Council's actions have done nothing to prevent the Council from considering the Civic Center repaying the 2012 Program, but that should be done separately. Johnson believed that the Council could engage the Civic Center Board into looking at their revenue generation capabilities; and then ask the Board to come to the table and solve the problem of parking at the Civic Center. He indicated that he did not want to divert revenue, but use the revenue to possibly bond for a 600-800 parking ramp in close proximity to the Civic Center. Alderman Chapman indicated his support of bonding for the expansion and using generated revenue from the expansion to address the parking issue at the Civic Center. He also indicated that he did not support the use of CVB or BBB money to fund the expansion. Chapman reminded the members that City staff was already tasked with the responsibility of identifying and recommending other funding sources for the expansion. Alderman Hadcock suggested the Civic Center submit a business plan for the Council to review. Alderman Schumacher believed the Council was doing a disservice by not reviewing the options one more time. He indicated his concern about the limited parking at the Civic Center and suggested a parking ramp at the Civic Center might not be the ideal location. Alderman Chapman recommended that if Council members still have other creative viable options, they look into those options and then come back to Public Works or Legal & Finance over the next couple of weeks with those options. Aldermen Johnson and Okrepkie offered support of a business plan or perform a being submitted by the Civic Center. Finance Officer Preston reminded the members that on November 27th staff presented their options and those were rejected by the Council.

Substitute motion was made by Johnson, second by Hadcock to continue the dialogue regarding alternate funding sources, and asked the Civic Center to prepare a business plan for the Council. Motion carried.