


MEMORANDUM

TO: City Commission
Robert Baldwin, City Manager
Mark Bates, Finance Director

FROM: Thomas J. Ansbro, City Attorney 

RE: Proposed Resolution appointing Weiss Serota Helfman as Bond Counsel

DATE: September 17, 2012

The attached Resolution seeks approval for the City to appoint the law firm of Weiss, Serota, Helfman, Pastoriza, Cole & Boniske, P.L., as special bond counsel in connection with the refunding of the City's Sales Tax Revenue Bonds, Series 1994. A Memorandum outlining the refund proposed is attached.

Attachment: Memorandum from Financial Advisor, Damon Adams

Memo

To: Mark Bates, Finance Director, City of Dania Beach
From: Damon R. Adams, Senior Vice President
Date: 9/11/12
Re: Refinancing of the City's Outstanding Sales Tax Loan

Mark, I am pleased to provide you with a brief synopsis containing key information concerning this loan refinancing:

Name of Issue: City of Dania Beach Sales Tax Revenue Bonds, Series 1994

Original Loan Amount: \$3,255,000

Current Balance owed (after scheduled October 1, 2012 payment): \$1,970,000

Current Interest Rate: 5%

Final Maturity – 10/1/25 (*13 years remaining*)

Current average annual debt service payment: \$209,750

Plan of Refinance:

Refund this issue with a bank loan (BQ) over a 10 year period obtained through a competitive RFP process.

Based on other recent competitive bank loans our estimates are as follows:

Issue date: on or about 10/1/12

New loan balance: \$2,030,000 (higher than current to cover refinancing costs)

Estimated new interest rate: 2%

Final Maturity- 10/1/22 (10 year term)

Estimated annual debt service payment: \$226,040 (*fully paid in only 10 years*)

Estimated **total savings:** **cash payments: \$466,000-** **present value: \$352,000**