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Revenue Fund Bond Sale Normandale College Parking Ramp

**Finance and Facilities Committee
June 21, 2011**



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Purpose

- Gain Board of Trustee approval of a revenue fund bond sale of up to \$12.M for a parking ramp at Normandale College

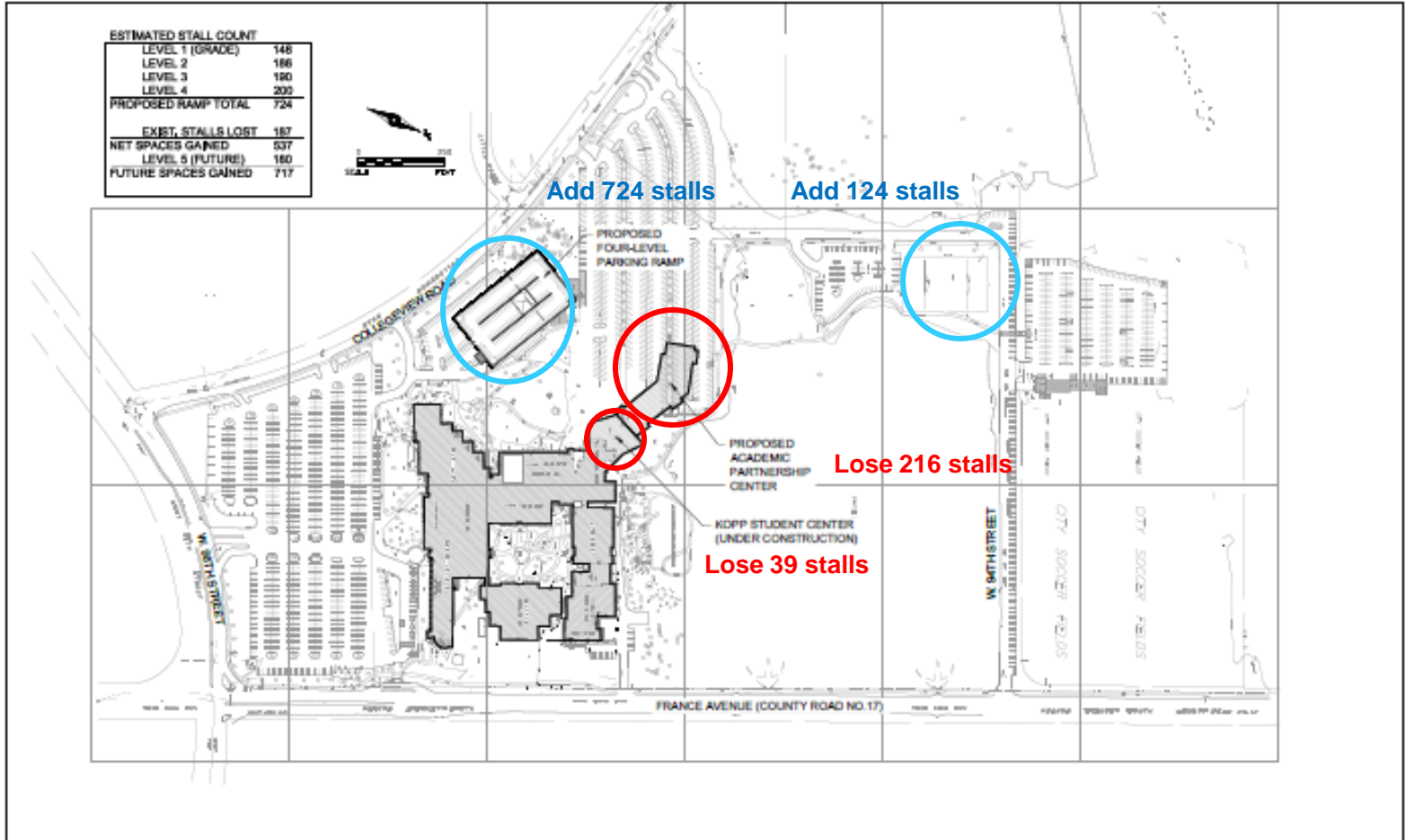


Proposed Project

- Normandale Community College
- Parking Ramp
 - 724 stall ramp (revenue fund)
 - Net approximately 520 stalls
- About \$12.5 million total (with bond costs)
- College to contribute \$1 million to advance design of ramp



Campus Parking Impacts



NORMANDEALE COMMUNITY COLLEGE PARKING EXPANSION

SITE PLAN
BLOOMINGTON, MN

FIGURE 2



Parking Situation

<u>Parking Description</u>	<u>Number of Stalls</u>
Current Parking	2,843 Stalls
+ Parking Ramp (rev fund)	724 stalls
+ New surface lot (tennis)	124 stalls
- Stall loss (bldgs, ramp)	(462)stalls
Total Parking	3,229 Stalls

<u>Planned Campus Projects</u>	<u>Total Parking Needs</u>
After Kopp Student Center (23,400 sf) (2011)	2,672 stalls
After Academic Partnership Center (76,000 sf) (2012)	3,052 stalls
After Student Services Center Addition (20,000 sf) (2014)	3,152 stalls



Bond Authority and Debt Service

<u>Bond Description</u>	<u>Principal Amounts</u>
Current bond authority by statute	\$300.0 million
- Outstanding bonds with this sale	\$272.5 million
Available authority after sale	\$ 27.5 million

<u>Annual Debt Service</u>	<u>Amounts</u>
Current debt service	\$22.0 million
+ Normandale bonds (projected)	\$ 1.0 million
New debt service (projected)	\$23.0 million



Bond ratings

- Met with rating agencies last week
- Projecting same rating as most recent issuance (Aa2/AA-)
- Past outlook was “Stable”
- Possibility of a “Negative” outlook, given the state budget circumstances



Tentative Schedule

- June 2011 – Board approval
- June/July - Official Statements printed
- July 15 – Price the bonds
- July 31 – Close the bonds
- October 2011 - Ramp construction commences
- August 2012 – Projected opening



Recommended Motion

The Board of Trustees authorizes a Revenue Bond sale for not more than \$12,500,000 subject to the sale parameters as presented on **Attachment B**. The Board of Trustees approves the Series Resolution as described in **Attachment C**.



Revenue Fund Advisors

- Financial Advisor

Springsted, Inc.

Barry Fick, Senior Vice President

Mark LeMay, Vice President

- Bond Counsel

Leonard, Street, and Deinard

Robyn Hansen, Esq.



Why Now?

- Rationale

- Master plan contemplates at least one ramp
- City pressure to solve parking situation on site
- City reluctant to issue future building permits without adequate parking on site

- Future building projects

- Academic Partnership Center (design funding in 2010; construction funding ~ 2011 or 2012?)
- Student Services Center addition (potential project in 2014)



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Debt Service Amounts

Annual Debt Service	Amounts
Current Debt Service	\$22 million
+ Normandale bonds (projected)	\$ 1 million
New Debt Service (projected)	\$23 million



Proposed Parking Fee Schedule

Description	Per Credit	Annual Cost (30 credits)	Monthly Rate (academic year)
Current	\$4.00	\$120	\$13.33
2012	\$6.00	\$180	\$20
2013 – later	\$9.00	\$270	\$30