



Legislation Details (With Text)

File #: RES PH 20-17 **Version:** 1

Type: Resolution-Public Hearing **Status:** Passed
In control: City Council
Final action: 2/5/2020

Title: Amending the City's 2020 Operating Budget to reflect an advance in the amount of up to \$500,000 from the internal borrowing fund and the use of fund equity of up to \$500,000 to finance the CHA Exterior Wall Restoration Project.

Sponsors: Amy Brendmoen

Indexes:

Code sections:

Attachments: 1. RES PH 20-17 - CHA 2020 Exterior Wall Restoration Project - Financial Analysis, 2. 2020 Interfund Loan Agreement for CHA Exterior Restoration, 3. Exhibit A - Illustrative example of repayment 1-14-2020

Date	Ver.	Action By	Action	Result
2/12/2020	1	Mayor's Office	Signed	
2/5/2020	1	City Council	Adopted	Pass

Amending the City's 2020 Operating Budget to reflect an advance in the amount of up to \$500,000 from the internal borrowing fund and the use of fund equity of up to \$500,000 to finance the CHA Exterior Wall Restoration Project.

WHEREAS, the Office of Financial Services Real Estate Section ("Real Estate") proposes to repair and restore large sections of the exterior walls on the north and west sides of the City Hall Annex ("CHA") building by restoring exposed beams and columns that have experienced spalling, improving the brick face by repairing, cleaning tuckpointing and sealing the brick, and affixing an insulated overlay to the east stairwell to reduce the possibility of interior heating pipes and fire standpipes freezing and bursting in the winter months ("Exterior Wall Restoration Project"); and

WHEREAS, OFS Real Estate has been working with a structural engineering consultant to conduct an assessment of the exterior walls and to prepare cost estimates, plans and specifications for the needed repair and restoration work; and

WHEREAS, the structural engineering consultant has completed its plans and specifications and OFS Real Estate now wishes to solicit bids for the work; and

WHEREAS, OFS Real Estate estimates the total cost of the Exterior Wall Restoration Project to be up to \$1,000,000; and

WHEREAS, the 2020 Operating Budget needs to be amended to provide spending and financing for the Exterior Wall Restoration Project; and

WHEREAS, OFS Real Estate proposes to finance the project through the use of an interdepartmental loan (up to \$500,000) and the use of fund equity (up to \$500,000); and

WHEREAS, there are available funds in Fund 700, (the "City Internal Loan Fund"), to make an advance in

2020; and

WHEREAS, the advance, until repaid, will bear interest at the monthly City treasury portfolio investment rate, ("Pool Rate"), which is variable and reset monthly by the City and will be paid as part of the project cost; and

WHEREAS, the advance will be secured by the City Hall Annex account in Fund 710 and repaid by annual space use charges and building rent paid by city departments and the Ramsey County Sheriff's office for occupancy in the City Hall Annex; and

WHEREAS, the Internal Loan has been documented in the Record of Internal Loan, which is attached in substantially final form, and will be repaid within three years of the initial City advance as shown in the illustrative example of the Exhibit; and

WHEREAS, the Mayor, pursuant to Section 10.07.1 of the Charter of the City of Saint Paul, does certify that there are available for appropriation, funds of \$1,000,000 in excess of those estimated in the 2020 Budget; now

THEREFORE, BE IT RESOLVED, by the Saint Paul City Council, upon recommendation of the Mayor, that the 2020 Operating Budget, as heretofore adopted by the City Council, is hereby further amended in the particulars as indicated in the attached Financial Analysis, to finance the proposed Exterior Wall Restoration Project; and be it

FURTHER RESOLVED, that the Saint Paul City Council hereby approves the attached Record of Internal Loan, and authorizes the Interim Director, Office of Financial Services and the Manager, OFS Real Estate to execute the agreement.