

**CLARK COUNTY
STAFF REPORT**

DEPARTMENT/DIVISION: Clark County Prosecuting Attorney's Office

DATE: April 17, 2013

REQUEST: Approve resolution concurring in the County Public Facility District's approval of Vancouver Conference Center refinancing.

CHECK ONE: X Consent Routine

BACKGROUND:

In 2003, the County, the County PFD and the City PFD entered into a number of agreements relating to the financing and development of regional centers. The regional centers are the Vancouver Conference Center, located at the Hilton, and the County Exhibition Hall, located at the County Event Center. Through these agreements, the County PFD pledged County PFD sales and use tax to the payment of bonds issued for the development of the Vancouver Conference Center.

At the time the agreements were entered into, it was anticipated that the City PFD might want to refinance the bonds when interest rates became favorable. The agreement provides that the refinancing could occur without the County PFD approval, so long as the debt service for the bonds did not increase by more than \$5,000 per year. Currently, there is an opportunity to take advantage of lower interest rates and refinance the conference center bonds. If the refinancing occurs, the debt service on the new bonds will be less than the debt service on the existing bonds. Additionally, it will be possible to complete needed improvements to the Conference Center and the hotel through savings realized by the lower debt service payments.

The proposed refinancing of the bonds has been reviewed and approved by the County Finance Team and the County PFD. A provision in the County-County PFD interlocal agreement states that the County PFD will not contract for the financing of the development of a regional center without the Board of County Commissioner's concurrence. It is recommended that the Board of County Commissioners concur with the County PFD's approval of the proposed refinancing.

Attached is a draft BOCC resolution and the resolution passed by the County PFD on April 15, 2013.



BUDGET AND POLICY IMPLICATIONS:

There are no implications to the County budget.

FISCAL IMPACTS:

Yes (see attached form)

No

ACTION REQUESTED:

Approve the resolution concurring in the County Public Facility District's approval of the Vancouver Conference Center refinancing.

DISTRIBUTION:

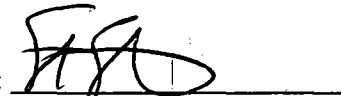
Bill Barron, County Administrator
Kelly Sills, BOCC
John Payne, Treasurer
E. Bronson Potter, Prosecutor's Office

Submitted:



E. Bronson Potter
Deputy Prosecuting Attorney

Approved:



Steve Stuart, Chair
Board of County Commissioners

April 23, 2013

SR 069-13



CLARK COUNTY PUBLIC FACILITIES PFD

RESOLUTION NO. 2013-01

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CLARK COUNTY PUBLIC FACILITIES DISTRICT ("PFD") AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDMENT TO ITS PAYMENT AGREEMENT WITH THE CITY OF VANCOUVER PUBLIC FACILITIES DISTRICT AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH.

WHEREAS, The PFD has previously imposed its Sales and Use Taxes as authorized by RCW Section 82.14.390 pursuant to Resolution No. 2003-01 adopted by the PFD on February 4, 2003; and

WHEREAS, as authorized by RCW Sections 67.28.130 and 36.100.030, the PFD entered into an Interlocal Agreement (the "City PFD Interlocal Agreement") in 2003 with the Vancouver Public Facilities District (the "City PFD") pursuant to RCW Chapter 39.34 to provide for the financing, construction and operation of a conference center project in the City of Vancouver, Washington (the "Conference Center Project"); and

WHEREAS, pursuant to the City PFD Interlocal Agreement, the PFD agreed to contribute proceeds from the Sales and Use Taxes to the City PFD to pay a portion of the costs of the Conference Center Project; and

WHEREAS, the City PFD caused the issuance of bonds in 2003 (the "Bonds") by the Vancouver Downtown Redevelopment Authority (the "Authority") for the purpose of financing the Conference Center Project, and in connection with the issuance of the Bonds, the PFD executed a payment agreement (the "Payment Agreement") as required by the City PFD Interlocal Agreement to transfer the Sales and Use Taxes to the City PFD; and

WHEREAS, the Clark County Board of County Commissioners concurred with the PFD's execution of both the City PFD Interlocal Agreement and the Payment Agreement consistent with Section 1.1(c) of the Interlocal Agreement between the PFD and the County, dated May 20, 2003 (the "County-PFD Interlocal Agreement"), with respect to the PFD's participation in Regional Centers; and

WHEREAS, the City PFD has advised the PFD that it intends to undertake a refinancing of the Bonds, dependent upon favorable market conditions and other factors, in order to realize significant debt service savings, and that the refinancing is critical to the survival of the Conference Center Project; and

WHEREAS, Section 8.4 of the City PFD Interlocal Agreement provides that the Authority may issue bonds to refund the Bonds without the approval of the PFD if the scheduled payment of debt service does not exceed the existing schedule by more than more than \$5,000 per year; and

WHEREAS, the Authority is proposing a refunding of the Bonds through a refinancing that will have a scheduled payment of debt service less than the existing schedule; and

WHEREAS, the PFD has been presented with a form of amendment to the Payment Agreement in connection with the proposed refinancing (the "Amendment") which is satisfactory to the PFD.


NOW, THEREFORE, BE IT RESOLVED by the Board of Directors (the "Board") of the PFD as follows:

Section 1. The Amendment attached as Exhibit A and incorporated herein by this reference is approved. The Amendment shall be submitted to the Clark County Board of Commissioners for its concurrence to the extent required by Section 1.1(c) of the County-PFD Interlocal Agreement. The Chair of the Board is authorized and directed, for and on behalf of the PFD, to execute and deliver the Amendment in substantially the form attached as Exhibit A, with such changes therein as the Chair may require or approve, with the advice of the PFD's counsel, so long as such changes are consistent with the purposes of this resolution.

Section 2. The Chair and any other officer of the PFD is authorized, jointly and severally, to do any and all things and to execute and deliver any and all documents agreements and certificates and other instruments which they may deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this resolution and any other documents executed and delivered pursuant to the authority granted in this resolution. Any such actions heretofore taken by such officers are hereby ratified, confirmed and approved.

Section 3. This resolution shall be in full force and effect from and after its date of adoption.

ADOPTED this 15th day of April, 2013.

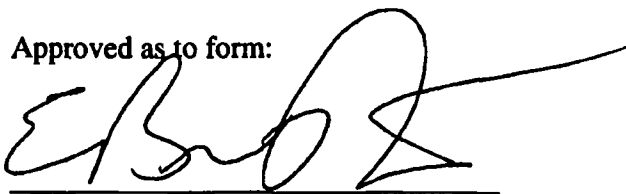


Chair

For: 

Secretary

Approved as to form:



Deputy Prosecuting Attorney

EXHIBIT A

FIRST AMENDMENT TO PAYMENT AGREEMENT

This FIRST AMENDMENT TO PAYMENT AGREEMENT, dated as of April 15, 2013 (the "First Amendment"), is by and between the CLARK COUNTY PUBLIC FACILITIES DISTRICT, a Washington public facilities district and municipal corporation (the "County PFD"), and the VANCOUVER PUBLIC FACILITIES DISTRICT, a Washington public facilities district and municipal corporation (the "City PFD").

WITNESSETH:

WHEREAS, the County PFD and the City PFD have entered into an Interlocal Agreement, dated as of December 1, 2003 (the "County Interlocal Agreement") pursuant to Chapter 39.34 RCW, Chapter 67.28 RCW and RCW 36.100.030 providing for the joint financing, construction and operation of the Downtown Project (as such term is defined in the County Interlocal Agreement); and

WHEREAS, in accordance with the County Interlocal Agreement, the City of Vancouver, Washington, Downtown Redevelopment Authority (the "Authority") has issued \$65,855,000 of Conference Center Project Senior Revenue Bonds, Series 2003A (the "Series 2003A Bonds") and \$1,751,988.60 of Conference Center Project Subordinate Revenue Bonds, Series 2003B (the "Series 2003B Bonds" and together with the Series 2003A Bonds, the "Bonds") for the purpose of financing, among other things, the design, acquisition and construction of the Downtown Project (as such term is defined in the County Interlocal Agreement); and

WHEREAS, pursuant to the County Interlocal Agreement, the County PFD has previously entered into the a Payment Agreement, dated as of December 1, 2003, with respect to the Bonds; and

WHEREAS, the City PFD and County PFD now desire to amend the Payment Agreement to implement the issuance of bonds by the Authority to refund the Bonds, as provided in Section 8.4 of the County Interlocal Agreement so long as there are debt service savings as required by such Section;

NOW, THEREFORE, the County PFD and the City PFD hereby agree as follows:

Section 1. The definition of "Bonds" in Section 1.01 of the Payment Agreement is hereby amended to add the following clause at the end of the first sentence: ", and any bonds issued by the Authority to refund such bonds pursuant to Section 8.4 of the County Interlocal Agreement."

Section 2. The seventh Recital of the Payment Agreement is revised to read as follows:

"WHEREAS, the County PFD and the City PFD intend this agreement to remain in force until the earlier of March 31, 2028 or the date on which bonds issued to finance the Regional Center are no longer outstanding (the "Expiration Date")."

Section 3. This First Amendment's effectiveness is conditional on the confirmation that the refinancing bonds will have an annual debt service less than the debt service on the Bonds, which confirmation will be determined by the County PFD chair.

Section 4. This First Amendment shall be effective as of the date hereof.

COUNTY PFD: CLARK COUNTY PUBLIC FACILITIES DISTRICT

By: _____
Chair

Approved as to form:

County PFD Counsel

CITY PFD: VANCOUVER PUBLIC FACILITIES DISTRICT

By: _____
Its: _____

Approved as to form:

City PFD Counsel

Dated: _____

RESOLUTION NO. 2013-04-12

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF CLARK COUNTY CONCURRING IN THE PUBLIC FACILITIES DISTRICT'S ("COUNTY PFD") EXECUTION AND DELIVERY OF AN AMENDMENT TO ITS PAYMENT AGREEMENT WITH THE CITY OF VANCOUVER PUBLIC FACILITIES DISTRICT AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH.

WHEREAS, the County and the County PFD entered into an Interlocal Agreement regarding proposals for the financing, development and operation of Regional Centers which provides that the County PFD shall not contract for the financing, development and operation of Regional Centers without first obtaining the concurrence of the Board of County Commissioners; and

WHEREAS, the County PFD, as authorized by RCW Sections 67.28.130 and 36.100.030, the PFD entered into an Interlocal Agreement (the "City PFD Interlocal Agreement") in 2003 with the Vancouver Public Facilities PFD (the "City PFD") pursuant to RCW Chapter 39.34 to provide for the financing, construction and operation of a conference center project in the City of Vancouver, Washington (the "Conference Center Project") and the Board of County Commissioners concurred with this action; and

WHEREAS, the County PFD entered into a Payment Agreement with the City PFD dated May 20, 2003 (the "County PFD - City PFD Interlocal Agreement"), with respect to the County PFD's participation in Conference Center Project and the Board of County Commissioners concurred with this action; and

WHEREAS, the City PFD has advised the County PFD that it intends to undertake a refinancing of the Bonds, dependent upon favorable market conditions and other factors, in order to realize significant debt service savings, and that the refinancing is critical to the survival of the Conference Center Project; and

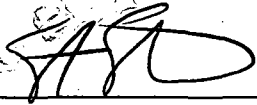
WHEREAS, Section 8.4 of the City PFD Interlocal Agreement provides that the Authority may issues bonds to refund the Bonds without the approval of the PFD if the scheduled payment of debt service does not exceed the existing schedule by more than more than \$5,000 per year; and

WHEREAS, the City PFD is proposing a refunding of the Bonds through a refinancing that will have a scheduled payment of debt service less than the existing schedule; and

WHEREAS, by County PFD Resolution 2013-01, the County PFD approved the refinancing through the execution of a form of amendment to the Payment Agreement in connection with the proposed refinancing (the "Amendment") subject to the Board of County Commissioners concurrence.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners that it concurs with the action taken by the County PFD approving the execution of the First Amendment to the Payment Agreement.

ADOPTED this 23rd day of April, 2013.



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Steve Stuart, Chair

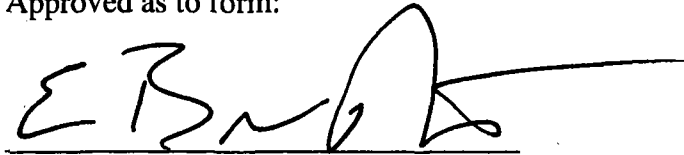
Attest:



A handwritten signature in black ink, appearing to be 'Rebecca Jilka', written over a horizontal line.

Clerk

Approved as to form:



A handwritten signature in black ink, appearing to be 'E B N D', written over a horizontal line.

Deputy Prosecuting Attorney