

INTRODUCED: February 9, 2026

A RESOLUTION No. 2026-R011

To provide for the issuance of general obligation public improvement refunding bonds of the City of Richmond, Virginia, in the maximum principal amount of \$42,085,000 to refund all or portions of certain general obligation bonds previously issued by the City, and to authorize the Director of Finance, with the approval of the Chief Administrative Officer, for and on behalf of the City, to sell such refunding bonds for such purpose, to provide for the form, details and payment of such bonds, and to authorize the issuance of such bonds as either federally tax-exempt or federally taxable bonds, or both.

Patron – Mayor Avula

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: FEB 23 2026 AT 6 P.M.

WHEREAS, the Public Finance Act of 1991, Sections 15.2-2600 *et seq.* of the Code of Virginia of 1950, as amended (the “Public Finance Act”), permits the issuance of bonds at one time or from time to time, in order to finance the cost of capital improvement projects and to refund bonds previously issued for such purposes; and

WHEREAS, the City of Richmond, Virginia (the “City”), previously issued its General Obligation Public Improvement Bonds, Series 2015B (the “2015B Bonds”), in the original principal amount of \$62,795,000, pursuant to ordinances duly adopted by the Council of the City (the “Council”); and

AYES: 9 NOES: 0 ABSTAIN: _____

ADOPTED: FEB 23 2026 REJECTED: _____ STRICKEN: _____

WHEREAS, the City may achieve debt service savings by refunding all or a portion of the outstanding 2015B Bonds (such refunded portion, the “Refunded Bonds”); and

WHEREAS, the City administration, in consultation with the City’s financial advisor, has recommended to the Council that the City issue and sell one or more series of its general obligation refunding bonds to refund the Refunded Bonds and to pay the related costs of issuance and refunding; and

WHEREAS, the Council desires to delegate to the Director of Finance of the City (the “Director of Finance”), with the approval of the Chief Administrative Officer of the City (the “Chief Administrative Officer”), the authority to determine which of the outstanding 2015B Bonds or portions thereof, if any, will constitute the Refunded Bonds; and

WHEREAS, the Council desires to provide that all or a portion of the general obligation public improvement refunding bonds may be issued as taxable bonds (the “Taxable Bonds”); and

WHEREAS, it is the consensus of the Council that the City should provide for the issuance and sale of either tax-exempt or taxable general obligation public improvement refunding bonds, or both, in the maximum principal amount of \$42,085,000 (the “Bonds”) to refund the Refunded Bonds and to pay the related costs of issuance and refunding;

NOW, THEREFORE,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF RICHMOND:

§ 1. There shall be issued and sold general obligation refunding bonds of the City in the maximum principal amount of \$42,085,000 (the “Bonds”) to refund the Refunded Bonds and to pay the related costs of issuance and refunding. The Bonds shall be designated “General Obligation Public Improvement Refunding Bonds” or “General Obligation Public Improvement

Refunding Bonds (Federally Taxable)” and may be combined with the issuance of general obligation bonds for public improvements and designated “General Obligation Public Improvement and Refunding Bonds,” as appropriate, or may be given such other designation as the Director of Finance may deem appropriate. The Council elects to issue the Bonds under the provisions of the Public Finance Act and, to the extent required by the Public Finance Act, the Charter of the City (the “Charter”).

§ 2. The Director of Finance, with the approval of the Chief Administrative Officer, is authorized and directed to determine which maturities (or portions thereof) of the 2015B Bonds, if any, shall be refunded and to cause to be called for optional redemption any such maturity or portion thereof to be redeemed prior to its stated maturity, to fix the date for redemption of such 2015B Bonds and to provide notice thereof, all in accordance with the provisions of such 2015B Bonds. Such determination may be made based upon such level of debt service savings as the Director of Finance deems to be sufficient in her opinion to warrant refunding, provided that the Director of Finance may also determine to refund all or a portion of the outstanding 2015B Bonds for the purpose of restructuring debt service payments whether or not any savings is achieved from such restructuring so long as the Director of Finance determines such restructuring will achieve other efficiencies in the management or timing of the servicing of the City’s debt. In connection with the refunding authorized pursuant to this resolution, the Director of Finance is authorized to retain the services of independent consultants to provide verification reports (each a “Verification Agent”) on aspects of the refunding to the extent useful and customary in similar transactions and is further authorized to retain the services of one or more escrow agents (each a “Escrow Agent”) to the extent needed to hold portions of the proceeds of the Bonds and other funds as needed pending their application to refund any Refunded Bonds.

§ 3. (a) The Bonds shall be in registered form and shall be designated by title, date and series, bear interest from their date or dates, be payable on the payment dates, be issued in the denomination or denominations, and mature at such time or times not exceeding 40 years from their date or dates and in amounts as either serial or term bonds, or both, with sinking fund payments, if any, all as determined by the Director of Finance, with the approval of the Chief Administrative Officer.

(b) Each Bond shall bear interest at such annual rate(s) as shall be determined at the time of sale, calculated on the basis of a 360-day year and a 30-day month, payable semiannually, all as determined by the Director of Finance, with the approval of the Chief Administrative Officer and subject to the terms of this resolution.

(c) Principal and premium, if any, shall be payable to the registered owners upon surrender of the Bonds as they become due at the office of the Registrar (as hereinafter defined). Interest shall be payable by check or draft mailed to the registered owners at their addresses as they appear on the registration books kept by the Registrar on the date prior to each interest payment date that shall be determined by the Director of Finance, with the approval of the Chief Administrative Officer (the "Record Date"), provided, however, that (i) any Record Date contained in the bond certificate shall be deemed the determination of such officers and (ii) at the request of a registered owner of the Bonds, payment may be made by wire transfer pursuant to the most recent wire instructions received by the Registrar from such registered owner. Principal, premium, if any, and interest shall be payable in lawful money of the United States of America.

(d) The Director of Finance, with the approval of the Chief Administrative Officer, may (i) enter into an agreement for a book-entry system for the Bonds with a qualified securities depository (the "Securities Depository") and (ii) appoint a paying agent and registrar for

the Bonds (the “Registrar”), as well as a trustee (the “Trustee”) if necessary or appropriate.

§ 4. (a) The Bonds may be subject to redemption or purchase prior to maturity at the option of the City on or after dates, if any, determined by the Director of Finance, with the approval of the Chief Administrative Officer. The Director of Finance, with the approval of the Chief Administrative Officer, is authorized and directed to approve such optional redemption provisions for the Bonds as such officer or officers determine to be in the best interest of the City.

(b) Any term Bonds may be subject to mandatory sinking fund redemption as determined by the Director of Finance, with the approval of the Chief Administrative Officer.

(c) The City shall provide for the purchase of Bonds in the manner specified in any Bonds subject to purchase as approved by the officers authorized to do so pursuant to this resolution.

§ 5. The Bonds shall be signed by the manual or facsimile signatures of the Chief Administrative Officer and the Director of Finance, and the City's seal shall be affixed thereto or a facsimile thereof printed thereon and attested by the manual or facsimile signature of the City Clerk. No Bond signed by facsimile signatures shall be valid until it has been authenticated by the manual signature of an authorized officer or employee of the Registrar or Trustee, as appropriate, and the date of authentication noted thereon.

§ 6. The Bonds shall be in the form or forms as the Director of Finance may select, with such terms and provisions not inconsistent with this resolution as may be approved by the officers signing the Bonds, whose approval shall be evidenced conclusively by the execution and delivery thereof.

§ 7. The full faith and credit of the City are irrevocably pledged for the payment of principal of and premium, if any, and interest on the Bonds. Unless other funds are lawfully

available and appropriated for timely payment of the Bonds, the Council shall levy and collect an annual ad valorem tax, over and above all other taxes authorized or limited by law and without limitation as to rate or amount, on all locally taxable property in the City sufficient to pay when due the principal of and premium, if any, and interest on the Bonds.

§ 8. (a) The Registrar shall maintain registration books for the registration of the Bonds. Upon surrender of any Bond at the corporate trust office of the Registrar, together with an assignment duly executed by the registered owner or his duly authorized attorney or legal representative in such form as shall be satisfactory to the Registrar, the City shall execute, and the Registrar shall authenticate and deliver in exchange, a new Bond or Bonds having an equal aggregate principal amount, in authorized denominations, of the same form and maturity, bearing interest at the same rate, and registered in the name(s) as requested by the then-registered owner or such registered owner's duly authorized attorney or legal representative. Any such exchange shall be at the expense of the City, except that the Registrar may charge the person requesting such exchange the amount of any tax or other governmental charge required to be paid with respect thereto.

(b) The Registrar shall treat the registered owner as the person exclusively entitled to payment of principal, premium, if any, and interest and the exercise of all other rights and powers of the owner, except that interest payments shall be made to the person shown as owner on the registration books as of the applicable Record Date.

§ 9. The Council hereby approves the following terms of the sale of the Bonds. The Bonds may be sold all at one time or at separate times, in one or more series or otherwise, all as may be determined by the Director of Finance, with the approval of the Chief Administrative Officer. The Bonds shall be sold by competitive bid or by negotiation with one or more underwriters or other purchasers as the Director of Finance may determine pursuant to the Public

Finance Act, at such price or prices as the Director of Finance, with the approval of the Chief Administrative Officer, shall determine to be in the best interest of the City, provided that in no event shall (a) the true interest cost of the Bonds, after taking into account any premium or discount on the Bonds, but excluding credit and/or liquidity enhancement premium, exceed 5% per year; (b) the sale price of the Bonds to the underwriters or other purchasers, excluding any original issue discount, be less than 97% of the aggregate principal amount thereof, and (c) the final maturity of the Bonds be later than December 31, 2038. The Director of Finance, with the approval of the Chief Administrative Officer, is authorized to negotiate and acquire credit and/or liquidity enhancement for the Bonds. The Director of Finance, with the approval of the Chief Administrative Officer, is also authorized to enter into contracts with respect to the Bonds, commonly known as interest rate swap agreements, and contracts providing for payments based on levels of, or changes in, interest rates, or for the purpose of placing the Bonds on the interest rate, cash flow or other basis desired by such officers, provided that the form of such contract or arrangement shall have been previously approved by resolution or resolutions hereafter adopted by the Council. These contracts or arrangements may be entered into by the Director of Finance, with the approval of the Chief Administrative Officer, in connection with, or incidental to, entering into, or maintaining any (x) agreement which secures bonds or (y) investment, or contract providing for investment, otherwise authorized by law. These contracts and arrangements may contain such payment, security, default, remedy, and other terms and conditions as determined by the Director of Finance, with the approval of the Chief Administrative Officer, after giving due consideration to the creditworthiness of the counterparty or other obligated party, including any rating by any nationally recognized rating agency, and any other criteria as may be appropriate. This resolution is intended to grant to the Director of Finance and the Chief Administrative Officer

full and complete authority to finalize the terms of the Bonds, to provide for their issuance and sale and to execute and deliver any and all documentation in connection therewith without further approval by the Council, unless otherwise required in connection with any refunding, consistent with the requirements of this resolution, the Public Finance Act, the Charter and the Constitution and other laws of the Commonwealth of Virginia. If the Bonds are sold by negotiation, the Director of Finance is authorized to negotiate, execute and deliver a bond purchase agreement with the underwriters or other purchasers of the Bonds, a copy of which shall be filed with the City Clerk. If the Bonds are sold by competitive bid, the Director of Finance shall file a certificate following the award of the Bonds setting forth the final terms of the Bonds with the City Clerk. In connection with the obtaining of any credit or liquidity enhancement, interest rate swap or similar agreements, the Director of Finance, with the approval of the Chief Administrative Officer, is authorized to include in the borrowing the cost of obtaining such credit or liquidity enhancement, interest rate swap or similar agreements. The actions of the Director of Finance in selling the Bonds, together with the approval of the Chief Administrative Officer, shall be conclusive, and no further action shall be necessary on the part of the Council.

§ 10. The Chief Administrative Officer and the Director of Finance are authorized and directed to have prepared and distributed, in accordance with standard practices for municipal securities, one or more Preliminary Official Statements of the City describing the Bonds as authorized herein, the security therefor, and providing any other pertinent or relevant information. The Director of Finance shall make such completions, omissions, insertions and changes in such Preliminary Official Statement not inconsistent with this resolution as are necessary or desirable to complete it as a final Official Statement. The City shall arrange for the delivery to the purchasers of the Bonds of a reasonable number of copies of the final Official Statement, within seven

business days after the date the Bonds have been awarded, for delivery to each potential investor requesting a copy of the final Official Statement and to each person to whom such underwriter or bidder and members of the underwriting or bidding group initially sell Bonds. The Bonds may be described in a Preliminary Official Statement and a final Official Statement that combine the issuance of the Bonds with the issuance of other obligations of the City.

§ 11. The Director of Finance is authorized, on behalf of the City, to deem such Preliminary Official Statement and such Official Statement in final form, each to be final as of its date within the meaning of Rule 15c2-12 (the “Rule”) of the Securities and Exchange Commission (the “SEC”), except for the omission from such Preliminary Official Statement of certain pricing and other information permitted to be omitted pursuant to the Rule. The distribution of such Preliminary Official Statement and such Official Statement in final form shall be conclusive evidence that each has been deemed final as of its date by the City, except for the omission from such Preliminary Official Statement of such pricing and other information permitted to be omitted pursuant to the Rule.

§ 12. The Chief Administrative Officer, the Director of Finance and the City Clerk are authorized and directed to take all proper steps to have the Bonds prepared and executed in accordance with their terms and to deliver the Bonds to or for the account of the purchasers thereof upon payment therefor.

§ 13. The City covenants that it shall not take or omit to take any action the taking or omission of which will cause the Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, including regulations issued pursuant thereto (the “Code”), or otherwise cause interest on the Bonds to be includable in the gross income for federal income tax purposes of the registered owners thereof under existing law. Without limiting the generality of the foregoing, the City shall comply with any provision of law that may require

the City at any time to rebate to the United States any part of the earnings derived from the investment of the gross proceeds of the Bonds, unless the City receives an opinion of nationally recognized bond counsel that such compliance is not required to prevent interest on the Bonds from being includable in the gross income for federal income tax purposes of the registered owners thereof under existing law. The City shall pay any such required rebate to the United States from its legally available funds. This Section shall not apply to Taxable Bonds.

§ 14. Such officers of the City as may be requested by the City's bond counsel are authorized and directed to execute appropriate certificates setting forth facts and covenants related to (a) the expected use, expenditure and investment of the proceeds of the Bonds in order to show that such expected use, expenditure and investment will not violate the provisions of Section 148 of the Code and (b) any elections such officers deem desirable regarding rebate of earnings to the United States for purposes of complying with Section 148 of the Code. Such certificates shall be prepared in consultation with the City's bond counsel, and any such elections shall be made after consultation with bond counsel. This Section shall not apply to Taxable Bonds.

§ 15. The City covenants that it shall not permit the proceeds of the Bonds or the facilities financed with the proceeds of the Bonds to be used in any manner that would result in (a) 5% or more of such proceeds or the facilities refinanced with such proceeds being used in a trade or business carried on by any person other than a governmental unit, as provided in Section 141(b) of the Code, (b) 5% or more of such proceeds or the facilities refinanced with such proceeds being used with respect to any output facility (other than a facility for the furnishing of water), within the meaning of Section 141(b)(4) of the Code, or (c) 5% or more of such proceeds being used directly or indirectly to make or finance loans to any person other than a governmental unit, as provided in Section 141(c) of the Code, provided, however, that if the City receives an opinion of nationally recognized bond counsel that any such covenants need not be complied with to prevent

the interest on the Bonds from being includable in the gross income for federal income tax purposes of the registered owners thereof under existing law, the City need not comply with such covenants. This Section shall not apply to Taxable Bonds.

§ 16. The City desires to assist the purchasers of the Bonds in complying with the provisions of Section (b)(5)(i) of the Rule. In order to accomplish this, the City covenants to do the following to the extent required or requested:

(a) Annual Disclosure.

(i) The City shall provide annually certain financial information and operating data in accordance with the provisions of Section (b)(5)(i) of the Rule, as follows:

(A) audited financial statements, prepared in accordance with generally accepted accounting principles; and

(B) the operating data with respect to the City of the type appearing in portions of the Official Statement in final form relating to and describing (1) a statement of General Fund Revenues and Other Financing Sources and a statement of General Fund Expenditures and Other Financing Uses in the section relating to discussions of certain financial information, (2) schedules relating to property assessments, real estate tax levies and collections and personal property tax levies and collections in the section relating to revenues of the City, and (3) schedules relating to legal debt margin, percentage of bonded debt to assessed values of real estate and bonded debt per capita and percentage of debt service to total General Fund Expenditures and Transfers in the section relating to debt of the City.

(ii) The City shall annually provide the financial information and operating data described in subsection (i) above (the “Continuing Disclosure”) within 220 days after the end of the City's fiscal year, commencing with the City's fiscal year in which the Bonds are issued, to the Municipal Securities Rulemaking Board (the “MSRB”) for publication on its Electronic Municipal Market Access (“EMMA”) System, or as otherwise designated by the Rule and to the appropriate state information depository if any then exists (“SID”).

(iii) Any of the Continuing Disclosure may be included by specific reference to other documents previously provided to the MSRB and to the SID, if any, or filed with the SEC, provided, however, that any final official statement incorporated by reference must be available from the MSRB.

(iv) The City shall provide in a timely manner to the MSRB and to the SID, if any, notice specifying any failure of the City to provide the Continuing Disclosure by the date specified.

If the City fails to comply with any covenant or obligation specified in this Section, any holder (within the meaning of the Rule) of the Bonds then outstanding may, by notice to the City, proceed to protect and enforce its rights and the rights of the holders by an action for specific performance of the City's covenant to provide the applicable financial information and operating data.

(b) Event Disclosure. In a timely manner not in excess of ten (10) business days after the occurrence of the event, the City shall provide to the MSRB and to the SID, if any, notice of the occurrence of any of the following events with respect to the Bonds:

(i) principal and interest payment delinquencies;

- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on any credit enhancement reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other materials notices or determinations with respect to the tax status of the security, or other material events affecting the tax-exempt status of any Bonds;
- (vii) modifications to rights of bondholders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) defeasance of all or any portion of the Bonds;
- (x) release, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership or similar event of the obligated person;
- (xiii) the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a

definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material;

(xv) incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect holders of the Bonds, if material; and

(xvi) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

(c) Termination. The covenants and obligations of the City specified in subsections (a) and (b) to the extent they apply shall terminate upon the redemption, defeasance (within the meaning of the Rule) or payment in full of all the Bonds.

(d) Amendment. The City reserves the right to modify its obligations specified in subsections (a) and (b) without the consent of bondholders, provided that such modification complies with the Rule as it exists at the time of modification. The City shall, within a reasonable time thereafter, send to the MSRB and the SID, if any, a description of such modification(s).

(e) Additional Disclosure. The City may from time to time disclose certain information and data in addition to the Continuing Disclosure. Notwithstanding anything herein to the contrary, the City shall not incur any obligation to continue to provide, or to update, such additional information or data.

§ 17. The Director of Finance is authorized and directed to execute one or more escrow deposit agreements (the “Escrow Agreement”) between the City and the Escrow Agent providing

for the deposit and investment of a portion of the Bond proceeds, together with other funds to the extent needed and available for such purpose, for the refunding of the Refunded Bonds. The Escrow Agreement shall be approved by the Director of Finance and approved as to form by the City Attorney. The execution thereof by the Director of Finance shall constitute conclusive evidence of the Director of Finance's approval of such agreement. The Escrow Agreement shall provide for the irrevocable deposit of a portion of the Bond proceeds thereunder, together with other funds to the extent needed and available for such purpose, which shall be sufficient, when invested in obligations that are permissible investments for public sinking funds pursuant to Section 2.2-4500 of the Code of Virginia of 1950, as amended, together with interest earnings thereon, to provide for payment of principal of and premium, if any, and interest on any Refunded Bonds being redeemed or paid at maturity, provided, however, that, to the extent the Bonds are not issued as Taxable Bonds, such Bond proceeds shall be invested in a manner such that none of the Bonds will be "arbitrage bonds" within the meaning of Section 148 of the Code. The Escrow Agent is authorized to execute, on behalf of the City, an initial and final subscription form for the purchase of noncallable, direct obligations of the United States Government, if and as necessary.

§ 18. The City Clerk, with the assistance of the City Attorney, is authorized and directed to see to the immediate filing of a certified copy of this resolution in the Circuit Court of the City of Richmond and is directed to make a copy of this resolution continuously available for inspection by the general public during normal business hours at the City Clerk's office from the date of adoption hereof through the date of the issuance of the Bonds.

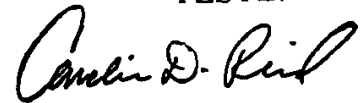
§ 19. All other actions of officers of the City in conformity with the purposes and intent of this resolution and in furtherance of the issuance and sale of the Bonds and the refunding of the Refunded Bonds are approved and confirmed. The officers of the City are authorized and directed

to execute and deliver all such other agreements, certificates and instruments and to take all such further action as may be considered necessary or desirable in connection with the issuance, sale and delivery of the Bonds and the refunding of the Refunded Bonds, including entering into contracts and arrangements to provide credit and/or liquidity enhancement or insurance for all or a portion of the Bonds and for the investment of the proceeds of the Bonds. The authorization granted herein to the Director of Finance, the Chief Administrative Officer and the City Attorney shall apply equally to any person serving in such capacity on an interim or acting basis pending a permanent appointment to any such office.

§ 20. This resolution shall be in force and effect upon adoption, and any and all resolutions in conflict with th

e provisions hereof are repealed.

**A TRUE COPY:
TESTE:**

A handwritten signature in black ink, appearing to read "Amelia D. Reed". The signature is written in a cursive style with a large initial 'A'.

City Clerk

CITY OF RICHMOND

O&R REQUEST

DATE: January 26, 2026 **EDITION:** 1

TO: The Honorable Members of City Council

THROUGH: The Honorable Dr. Danny Avula, Mayor

THROUGH: Odie Donald II, Chief Administrative Officer

THROUGH: Tanikia Jackson, DCAO Finance and Administration

THROUGH: Meghan Brown, Director of Budget

FROM: Letitia Shelton, Director of Finance

RE: **Authorization for the issuance of General Obligation Refunding Bonds of the City of Richmond to achieve debt service savings**

ORD. OR RES. No. _____

PURPOSE:

This request is to authorize the issuance of General Obligation Refunding Bonds of the City of Richmond, Virginia in a principal amount not to exceed \$42.085 million to refund all or portions of the principal maturities of the outstanding Series 2015B General Obligation bonds previously issued by the City, and to authorize the Director of Finance, with the approval of the Chief Administrative Officer, to sell such refunding bonds. The new refunding bonds will carry similar principal maturities as the old bonds, and thus, will not extend final maturity of this debt.

BACKGROUND:

On December 8, 2015, the City issued its Series 2015B General Obligation Bonds to finance various CIP projects which included various City and School building projects, City infrastructure projects. Based on current market interest rates and analysis, Finance Department staff and our Financial Advisors have identified this bond issue as potential candidates for refunding to enable the City to achieve debt service savings. The outstanding Series 2015B bond issue is being repaid from the General Fund.

The City is currently planning to issue new General Obligation bonds later this spring and being able to include these refunding transactions with a planned new money bond issue, will save the City duplicative legal and other issuance costs, while potentially achieving debt service savings if interest rates remain favorable. The refunding target will be to achieve approximately three

CITY OF RICHMOND

percent or greater Net Present Value savings on each bond issue at the time of the refunding. The actual amount of debt service savings to be achieved in the refunding this debt, if any, will be based on the interest rate environment available in April 2026, at the time of the actual refunding bond pricing. This resolution will allow the City's Director of Finance, with the approval of the CAO, to refund either all, some, or none of the Series 2015B General Obligation Bond principal maturities, based upon market conditions and the interest rate environment at the time of the bond sale in the spring.

COMMUNITY ENGAGEMENT: None

STRATEGIC INITIATIVES AND OTHER GOVERNMENTAL: None

FISCAL IMPACT:

If current market conditions remain favorable at the time of the proposed bond sale, the refunding would produce debt service savings at or above the approximately three percent Net Present Value targeted threshold, inclusive of all costs of issuance. Based on today's interest rate environment, achieving 3.0% net present value savings on both bond issues would achieve over \$100,000 per year in annual debt service savings over the remaining 12 years. The actual principal amount of bonds to be refunded, however, and any associated debt service savings, will be determined based on many variables, including the interest rate environment and the supply and demand for bonds at the time of the proposed bond sale. All costs of issuance including underwriting, legal and other expenses have been included in the refunding analysis.

DESIRED EFFECTIVE DATE:

Upon adoption.

REQUESTED INTRODUCTION DATE:

February 9, 2026.

CITY COUNCIL PUBLIC HEARING DATE:

February 23, 2026

REQUESTED AGENDA:

Regular agenda.

RECOMMENDED COUNCIL COMMITTEE:

Finance and Economic Development Committee on February 18, 2026.

AFFECTED AGENCIES:

Department of Finance and City Attorney's Office.

RELATIONSHIP TO EXISTING ORD. OR RES.: None.

ATTACHMENTS: None

STAFF: Michael Nguyen, Deputy Director of Finance, 646-6993