

1217/004, S007-1217/005 and S007-1217/005T in the 2014 records of the City Assessor for the purpose of operating an 800 megahertz communications facility.

§ 2. That the Chief Administrative Officer, for and on behalf of the City of Richmond, be and is hereby authorized to acquire such parcel of real property from SunTrust Leasing Corporation and to execute the deed and such other documents as may be necessary to complete the acquisition and acceptance of such parcel of real property, provided that the deed and such other documents must first be approved as to form by the City Attorney or the designee thereof.

§ 3. This ordinance shall be in force and effect upon adoption.



CITY OF RICHMOND

INTRACITY CORRESPONDENCE



O&R REQUEST

DATE: March 26, 2014

O & R REQUEST
EDITION: 1
MAR 25 2014

TO: The Honorable Members of City Council

THROUGH: Dwight C. Jones, Mayor *D.C. Jones*

THROUGH: Byron C. Marshall, Chief Administrative Officer *BCM*

THROUGH: Sharon O. Judkins, DCAO for Finance and Administration *S.O. Judkins*

FROM: T. Wayne Lassiter, Interim Director of Finance *T. Wayne Lassiter*

RE: Authorization to transfer title to property located on North Hopkins Road back into the name of the City

Chief Administration Office
City of Richmond

RECEIVED
APR 08 2014

ORD. OR RES. No. _____

OFFICE OF CITY ATTORNEY

PURPOSE: To declare a public necessity for and to authorize the acquisition of the parcels of real property owned by SunTrust Leasing Corporation and known as 3516 North Hopkins Road, 3518 North Hopkins Road and 3520 North Hopkins Road for the purpose of an 800 megahertz communications facility.

REASON: On June 1, 2001 the City entered into a sale lease-back Certificates of Participation transaction to provide \$18.8 million of financing for the 800 Megahertz Radio Emergency Communications equipment project. All debt/lease amounts owed by the City have now been paid off in full and the City Attorney's office is working with the lender to release all liens and transfer title of the City's real estate property on North Hopkins Road back into the City's ownership.

RECOMMENDATION: The Administration recommends adoption of this ordinance.

BACKGROUND: To finance the construction of the City's 800 Megahertz Radio Emergency Communications equipment facilities and the conversion of the radio equipment from analog to digital frequencies, on June 1, 2001, the City issued \$18.8 million of Certificates of Participation, Series 2001. This 20-year financing was structured as a sale lease-back transaction, with the lender (SunTrust Leasing) providing the \$18.8 million of financing in exchange for taking own-

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ership of the Hopkins Road Property, (land, buildings and tower) along with various radio equipment. The City agreed to make semi-annual capital lease debt service payments to the lender over a twenty year period.

In FY2013, using \$11.1 million of budgeted funds (part of the \$62.1 million received from the RMA) the City was able call this debt for early redemption and completely repaid the debt on August 1, 2012. The City Attorney's office has undertaken the necessary steps to insure that the property is transferred back into the City's name and liens on equipment released. The transfer of the real estate back to the City requires approval of City Council by Ordinance.

FISCAL IMPACT/COST:

The Finance Department will pay any real estate filing fees and for the costs of a title insurance policy.

FISCAL IMPLICATIONS: None

BUDGET AMENDMENT NECESSARY: None

REVENUE TO CITY: None

DESIRED EFFECTIVE DATE: Upon Adoption

REQUESTED INTRODUCTION DATE: April 14, 2014

CITY COUNCIL PUBLIC HEARING DATE: April 28, 2014

REQUESTED AGENDA: Consent Agenda

RECOMMENDED COUNCIL COMMITTEE: Finance Committee

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: N/A

AFFECTED AGENCIES: Department of Public Works;
Department of Finance;

RELATIONSHIP TO EXISTING ORD. OR RES.: Ordinance # 2001-165-135 authorized the financing.

REQUIRED CHANGES TO WORK PROGRAM(S): None

ATTACHMENTS: None

STAFF: James P. Duval, Jr., Investment and Debt Portfolio Manager (6395)