

# Economic Development Fund

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Under the City's Local Option Economic Development Program, a \$300,000 sales tax transfer from the General Fund and a \$300,000 sales tax transfer from the Debt Service Fund in FY 14 is required to make the debt service payment on the \$3 million grant and \$18 million loan made to John Q. Hammons (JQH) to facilitate construction of the JQH Embassy Suites/Conference Center/Marriott Courtyard. Also included in the revenue projections are the quarterly interest payments to be paid by JQH on the \$15.8 million construction loan which will be repaid in FY 17. Since its inception, including the budgeted \$600,000 transfer in the current fiscal year, the City will have transferred \$2,280,000 of sales tax revenue into the Economic Development fund.

## ***About the Economic Development Program***

- The Mayor & Council adopted Ordinance No. 919 (as amended by Ordinance No. 921) in accordance with Neb. Rev. Stat. Sections 18-2701 ("Local Option Municipal Economic Development Act") and thereby established an economic development program.
- Economic Development Program was previously approved by a majority of affirmative votes of registered voters at a special election held on September 30, 2003.
- In accordance with the "Local Option Municipal Economic Development Act" the City is authorized to issue bonds for purposes of the Act.
- Proprietary or commercial information that the applicant or JQH in this case provides to the City and desires to remain confidential shall remain confidential and not be publicly disclosed.
- There is a \$2M per year maximum under State Statute that can be appropriated from funds derived directly from local sources of revenue for all economic development programs.
- On February 20, 2007, by Ordinance No. 1023, the City Council approved the Economic Development program application of John Q. Hammons along with a Development Agreement, Loan Classification, Loan Application and grant of \$3 Million and loan of \$18 Million to construct a full service hotel and conference center facility in Southport West.

## CITY OF LA VISTA

## FY 13-14 BUDGET

### ECONOMIC DEVELOPMENT FUND SUMMARY

	FY12 Actual	FY13 Budget	FY13 Estimate	FY14 Adopted
<b>REVENUES</b>				
CC Loan Payment	1,186,573	1,186,573	1,186,573	1,186,573
Bond Proceeds	0	0	0	0
Interest Income	1,010	0	0	0
<b>Total Revenue</b>	<b>1,187,583</b>	<b>1,186,573</b>	<b>1,186,573</b>	<b>1,186,573</b>
<b>EXPENDITURES</b>				
Professional Services	0	0	0	0
Debt Service - Bond Principal	535,000	570,000	570,000	605,000
Debt Service - Bond Interest	1,463,172	1,429,662	1,429,662	1,393,396
Land/Construction	0	0	0	0
Financial Fees	0	0	0	0
<b>Total Expenditures</b>	<b>1,998,172</b>	<b>1,999,662</b>	<b>1,999,662</b>	<b>1,998,396</b>
<b>Other Financing Sources (Uses)</b>				
General Fund Transfer	600,000	600,000	600,000	300,000
Debt Service Transfer	0	0	0	300,000
<b>Total Other Uses of Funds</b>	<b>600,000</b>	<b>600,000</b>	<b>600,000</b>	<b>600,000</b>
<b>Operating Cash Annual Inc/(Dec)</b>	<b>(210,589)</b>	<b>(213,089)</b>	<b>(213,089)</b>	<b>(211,822)</b>
Prior Year Cash	1,093,984	882,385	883,395	670,306
<b>End of Year Cash Total</b>	<b>883,395</b>	<b>669,297</b>	<b>670,306</b>	<b>458,484</b>
Target Reserve	399,634	399,932	399,932	399,679
<b>Excess Cash Over Reserves</b>	<b>483,761</b>	<b>269,364</b>	<b>270,374</b>	<b>58,805</b>

# **Bond Issue**

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**City of La Vista**  
**\$21,245,000 Taxable Bonds**  
**Dated July 30, 2007**

<b>Date</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Period Total</b>	<b>Fiscal Total</b>
10/15/2013	605,000.00	6.270000	706,181.25	1,311,181.25	
4/15/2014			687,214.50	687,214.50	1,998,395.75
10/15/2014	645,000.00	6.380000	687,214.50	1,332,214.50	
4/15/2015			666,639.00	666,639.00	1,998,853.50
10/15/2015	685,000.00	6.380000	666,639.00	1,351,639.00	
4/15/2016			644,787.50	644,787.50	1,996,426.50
10/15/2016	730,000.00	6.530000	644,787.50	1,374,787.50	
4/15/2017			620,953.00	620,953.00	1,995,740.50
10/15/2017	780,000.00	6.530000	620,953.00	1,400,953.00	
4/15/2018			595,486.00	595,486.00	1,996,439.00
10/15/2018	835,000.00	6.830000	595,486.00	1,430,486.00	
4/15/2019			566,970.75	566,970.75	1,997,456.75
10/15/2019	890,000.00	6.830000	566,970.75	1,456,970.75	
4/15/2020			536,577.25	536,577.25	1,993,548.00
10/15/2020	960,000.00	7.730000	536,577.25	1,496,577.25	
4/15/2021			500,710.75	500,710.75	1,997,288.00
10/15/2021	1,035,000.00	7.730000	500,710.75	1,535,710.75	
4/15/2022			460,708.00	460,708.00	1,996,418.75
10/15/2022	1,120,000.00	7.730000	460,708.00	1,580,708.00	
4/15/2023			417,420.00	417,420.00	1,998,128.00
10/15/2023	1,210,000.00	7.730000	417,420.00	1,627,420.00	
4/15/2024			370,653.50	370,653.50	1,998,073.50
10/15/2024	1,305,000.00	7.730000	370,653.50	1,675,653.50	
4/15/2025			320,215.25	320,215.25	1,995,868.75
10/15/2025	1,410,000.00	7.730000	320,215.25	1,730,215.25	
4/15/2026			265,718.75	265,718.75	1,995,934.00
10/15/2026	1,525,000.00	7.730000	265,718.75	1,790,718.75	
4/15/2027			206,777.50	206,777.50	1,997,496.25
10/15/2027	1,645,000.00	7.730000	206,777.50	1,851,777.50	
4/15/2028			143,198.25	143,198.25	1,994,975.75
10/15/2028	1,780,000.00	7.730000	143,198.25	1,923,198.25	
4/15/2029			74,401.25	74,401.25	1,997,599.50
10/15/2029	1,925,000.00	7.730000	74,401.25	1,999,401.25	1,999,401.25
<b>19,085,000.00</b>			<b>14,863,043.75</b>		<b>33,948,043.75</b>