

Staff Report

January 12, 2016

TO: City Council
FROM: Bob Blyth, Accounting and Fiscal Analyst
SUBJECT: FBC recommendations

Background and Analysis

At their January 11 meeting the Finance and Budget Commission (FBC) made a series of motions regarding innovation center development in the City. These recommendations came after several months of reports to the commission regarding both the Mace Ranch Innovation Center and the Nishi Gateway development.

FBC Recommendations

The FBC recommends Scenario 3 (privatized park, open space and street maintenance) as the desired option when looking at development and that they not proceed with the baseline as laid out.

Passed Unanimously

The FBC requests that an infrastructure financing study be done with a 70% loan to value ratio so as to limit the use of a community facilities district (CFD).

Passed Unanimously

The FBC requests that an analysis of what a small second mortgage would look like to augment the financing of the project.

Passed Unanimously

The FBC recommends that the City Council does not move forward with any development project until such time as a method is found to ensure a profit to the City.

Yes-Knickerbocker, Salomon, Wood No-Carson, Miller Abstain-Weiss, Williams Passes 3-2-2

The FBC recommends that the City Council does not approve development of innovation center projects until the economic analyses are complete and accurate.

Yes-Knickerbocker, Miller, Salomon, Weiss, Williams, Wood, No-Carson Passes 6-1

The FBC does not consider the current EPS report to be complete and accurate until the concerns contained in the handout submitted at the January 2016 FBC meeting and additional questions from commissioner Williams are answered.

Yes-Knickerbocker, Miller, Salomon, Weiss, Williams, Wood, No-Carson Passes 6-1