



CITY OF GRAND RAPIDS AGENDA ACTION REQUEST

DATE: June 10, 2025

TO: Mark Washington, City Manager

COMMITTEE: Fiscal Committee
LIAISON: Molly Clarin, Chief Financial Officer

FROM: Tricia Chapman
 Administrative Services Officer II

SUBJECT: **Request for Capital Improvement Fund Budget Amendment – Soccer Stadium and Amphitheater Bonds**

On March 11, 2025 (Proceeding No. 94415), the City Commission authorized the sale of bonds for an amount not to exceed \$128 million for the Soccer Stadium Project and the Amphitheater Project. On May 21, 2025, the City closed on \$122,270,000 of capital improvement bonds for the Soccer Stadium and Amphitheater projects. The bonds sold at a premium in the amount of \$5,728,882. This financing was undertaken to provide new bond funds to pay all or a portion of the costs for construction of a soccer stadium as well as work necessary for the completion of the amphitheater. Proceeds from the Bonds will also be used to pay costs associated with the issuance of the Bonds. The Bonds are secured by the limited full faith and credit of the City. The annual debt service will be paid to the City by the Kent County Lodging Excise Tax Fund. Following voter approval, the Lodging Excise Tax was raised to 8% from 5% in January 2025 for the Soccer Stadium and Amphitheater Projects as well as other future transformational projects.

New bond project funds have been established within the City’s accounting structure. The proceeds will be spent on projects in the respective bond funds directly. These capital funds are required to provide multi-year appropriation authority for projects that span more than one fiscal year and to demonstrate compliance with certain IRS regulations associated with tax-exempt debt. This request is to appropriate the proceeds in the applicable capital projects.

Additional information regarding the Soccer Stadium and Amphitheater bond issuance is provided in a separate “Report of Bond Sale” included on the June 10, 2025, Fiscal Committee agenda.

The accounting codes to process this amendment request are as follows:

<u>Sources/Appropriations</u>	<u>Project Description</u>	<u>Amount (From)/To</u>
4020-44709-69810000-402025116B	Bond Proceeds	(\$95,355,119.00)
4020-44709-69710000-402025116B	Bond Premium	(4,498,068.70)
4020-44709-98800000-402025116B	Soccer Stadium	99,853,187.70
4020-44709-69810000-4020251160	Bond Proceeds	(644,881.00)

4020-44709-66510000-4020251160	Estimated Interest Earned	(1,500,000.00)
4020-44709-83200000-4020251160	Cost of Issuance	644,881.00
4020-44709-98800000-4020251160	Soccer Stadium	1,500,000.00
4021-44709-69810000-402125117B	Bond Proceeds	(\$26,093,531.00)
4021-44709-69710000-402125117B	Bond Premium	(1,230,813.30)
4021-44709-98800000-402125117B	Amphitheater	27,324,344.30
4021-44709-69810000-4021251170	Bond Proceeds	(176,469.00)
4021-44709-66510000-4021251170	Estimated Interest Earned	(400,000.00)
4021-44709-83200000-4021251170	Cost of Issuance	176,469.00
4021-44709-98800000-4021251170	Amphitheater	400,000.00

Please include this request in your next budget amendment. If you have any questions, please advise. Thank you for your assistance in this matter.

cc: Scott Saindon Lorrie Freeman Erica Bills Jacob Carter Kate Berens