

3. Report of Bond Sale – \$122,270,000 Series 2025 Capital Improvement Bonds for Soccer Stadium & Amphitheater



# 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  
Fiscal Services

**SUBJECT: Report of Bond Sale – \$122,270,000 Series 2025 Capital Improvement Bonds for Soccer Stadium & Amphitheater**

On Wednesday, May 7, 2025, the City priced the \$122,270,000 General Obligation Limited Tax Capital Improvement Bonds (the “Bonds”) to pay a portion of construction costs for both the Acrisure Amphitheater and the Amway Soccer Stadium, as well as costs related to issuing the Bonds.

The Bond Purchase Agreement was signed on May 7, 2025, by Scott Saindon, Acting Chief Financial Officer. The issue closed and bond proceeds of \$127,998,882 (including premium) was delivered on Wednesday, May 21, 2025. The Bonds sold very well with orders exceeded the offering by more than nine times. The filing of a report disclosing the following information to City Commission is required:

|                           |                  |
|---------------------------|------------------|
| Date of Issue             | May 21, 2025     |
| Manner of Sale            | Negotiated       |
| Principal Amount          | \$122,270,000    |
| Interest Rates            | See Attachment 1 |
| Reserve Requirement       | None required    |
| Sources and Uses of Funds | See Attachment 2 |
| Credit Facility           | None             |

The bonds were marketed by the underwriting team of Huntington Securities, Inc, PNC Capital Markets LLC and Fifth Third Securities, Inc. The bond sizing includes costs of issuance – bond and underwriters’ counsels, bond ratings, and other fees. For this sale, the City maintained a bond rating of Aa2 stable from Moody’s Investors Service and AA stable from S&P Global Ratings.

Debt service is to be paid from revenues of Kent County's hotel and lodging tax

transmitted to the City as per executed agreements. The tax was raised to 8% from 5% in January 2025 and is expected to cover annual debt service costs.

Please contact me at 616-456-3848 or via email at [tchapman@grand-rapids.mi.us](mailto:tchapman@grand-rapids.mi.us) if you have any questions.

  
CORRECT IN FORM  
CITY ATTORNEY

**BOND PRICING**

**City of Grand Rapids  
County of Kent, State of Michigan  
Limited Tax General Obligation Bonds, Series 2025  
Final Numbers**

| Bond Component  | Maturity Date | CUSIP     | Amount                | Rate   | Yield  | Price   | Yield to Maturity | Call Date | Call Price | Premium (-Discount) |            |
|-----------------|---------------|-----------|-----------------------|--------|--------|---------|-------------------|-----------|------------|---------------------|------------|
| Bond Component: |               |           |                       |        |        |         |                   |           |            |                     |            |
|                 | 04/01/2030    | 386226L69 | 1,700,000.00          | 5.000% | 3.120% | 108.415 |                   |           |            | 143,055.00          |            |
|                 | 04/01/2031    | 386226L77 | 1,700,000.00          | 5.000% | 3.160% | 109.770 |                   |           |            | 166,090.00          |            |
|                 | 04/01/2032    | 386226L85 | 1,700,000.00          | 5.000% | 3.220% | 110.875 |                   |           |            | 184,875.00          |            |
|                 | 04/01/2033    | 386226L93 | 1,940,000.00          | 5.000% | 3.300% | 111.682 |                   |           |            | 226,630.80          |            |
|                 | 04/01/2034    | 386226M27 | 2,235,000.00          | 5.000% | 3.420% | 111.986 |                   |           |            | 267,887.10          |            |
|                 | 04/01/2035    | 386226M35 | 2,555,000.00          | 5.000% | 3.540% | 112.059 |                   |           |            | 308,107.45          |            |
|                 | 04/01/2036    | 386226M43 | 2,895,000.00          | 5.000% | 3.670% | 110.916 | C                 | 3.766%    | 04/01/2035 | 100.000             | 316,018.20 |
|                 | 04/01/2037    | 386226M50 | 3,255,000.00          | 5.000% | 3.810% | 109.701 | C                 | 3.966%    | 04/01/2035 | 100.000             | 315,767.55 |
|                 | 04/01/2038    | 386226M68 | 3,640,000.00          | 5.000% | 3.950% | 108.502 | C                 | 4.140%    | 04/01/2035 | 100.000             | 309,472.80 |
|                 | 04/01/2039    | 386226M76 | 3,895,000.00          | 5.000% | 3.980% | 108.247 | C                 | 4.208%    | 04/01/2035 | 100.000             | 321,220.65 |
|                 | 04/01/2040    | 386226M84 | 4,090,000.00          | 5.000% | 4.070% | 107.487 | C                 | 4.312%    | 04/01/2035 | 100.000             | 306,218.30 |
|                 | 04/01/2041    | 386226M92 | 4,295,000.00          | 5.000% | 4.180% | 106.566 | C                 | 4.419%    | 04/01/2035 | 100.000             | 282,009.70 |
|                 | 04/01/2042    | 386226N26 | 4,510,000.00          | 5.000% | 4.290% | 105.655 | C                 | 4.517%    | 04/01/2035 | 100.000             | 255,040.50 |
|                 | 04/01/2043    | 386226N34 | 4,735,000.00          | 5.000% | 4.390% | 104.834 | C                 | 4.600%    | 04/01/2035 | 100.000             | 228,889.90 |
|                 | 04/01/2044    | 386226N42 | 4,970,000.00          | 5.000% | 4.440% | 104.427 | C                 | 4.645%    | 04/01/2035 | 100.000             | 220,021.90 |
|                 | 04/01/2045    | 386226N59 | 5,220,000.00          | 5.000% | 4.500% | 103.941 | C                 | 4.692%    | 04/01/2035 | 100.000             | 205,720.20 |
|                 |               |           | <b>53,335,000.00</b>  |        |        |         |                   |           |            | <b>4,057,025.05</b> |            |
| Term Bond 2050: |               |           |                       |        |        |         |                   |           |            |                     |            |
|                 | 04/01/2046    | 386226P24 | 5,480,000.00          | 5.000% | 4.650% | 102.737 | C                 | 4.810%    | 04/01/2035 | 100.000             | 149,987.60 |
|                 | 04/01/2047    | 386226P24 | 5,755,000.00          | 5.000% | 4.650% | 102.737 | C                 | 4.810%    | 04/01/2035 | 100.000             | 157,514.35 |
|                 | 04/01/2048    | 386226P24 | 6,045,000.00          | 5.000% | 4.650% | 102.737 | C                 | 4.810%    | 04/01/2035 | 100.000             | 165,451.65 |
|                 | 04/01/2049    | 386226P24 | 6,345,000.00          | 5.000% | 4.650% | 102.737 | C                 | 4.810%    | 04/01/2035 | 100.000             | 173,662.65 |
|                 | 04/01/2050    | 386226P24 | 6,660,000.00          | 5.000% | 4.650% | 102.737 | C                 | 4.810%    | 04/01/2035 | 100.000             | 182,284.20 |
|                 |               |           | <b>30,285,000.00</b>  |        |        |         |                   |           |            | <b>828,900.45</b>   |            |
| Term Bond 2055: |               |           |                       |        |        |         |                   |           |            |                     |            |
|                 | 04/01/2051    | 386226P73 | 6,995,000.00          | 5.000% | 4.720% | 102.181 | C                 | 4.860%    | 04/01/2035 | 100.000             | 152,560.95 |
|                 | 04/01/2052    | 386226P73 | 7,345,000.00          | 5.000% | 4.720% | 102.181 | C                 | 4.860%    | 04/01/2035 | 100.000             | 160,194.45 |
|                 | 04/01/2053    | 386226P73 | 7,710,000.00          | 5.000% | 4.720% | 102.181 | C                 | 4.860%    | 04/01/2035 | 100.000             | 168,155.10 |
|                 | 04/01/2054    | 386226P73 | 8,100,000.00          | 5.000% | 4.720% | 102.181 | C                 | 4.860%    | 04/01/2035 | 100.000             | 176,661.00 |
|                 | 04/01/2055    | 386226P73 | 8,500,000.00          | 5.000% | 4.720% | 102.181 | C                 | 4.860%    | 04/01/2035 | 100.000             | 185,385.00 |
|                 |               |           | <b>38,650,000.00</b>  |        |        |         |                   |           |            | <b>842,956.50</b>   |            |
|                 |               |           | <b>122,270,000.00</b> |        |        |         |                   |           |            | <b>5,728,882.00</b> |            |

|                        |                |             |
|------------------------|----------------|-------------|
| Dated Date             | 05/21/2025     |             |
| Delivery Date          | 05/21/2025     |             |
| First Coupon           | 10/01/2025     |             |
| Par Amount             | 122,270,000.00 |             |
| Premium                | 5,728,882.00   |             |
| Production             | 127,998,882.00 | 104.685436% |
| Underwriter's Discount | (427,945.00)   | (0.350000%) |
| Purchase Price         | 127,570,937.00 | 104.335436% |
| Accrued Interest       |                |             |
| Net Proceeds           | 127,570,937.00 |             |

**BOND SUMMARY STATISTICS**

**City of Grand Rapids  
County of Kent, State of Michigan  
Limited Tax General Obligation Bonds, Series 2025  
Final Numbers**

|                                   | <b>2025 Stadium<br/>Financing</b> | <b>2025 Gap<br/>Financing</b> | <b>Aggregate</b> |
|-----------------------------------|-----------------------------------|-------------------------------|------------------|
| Dated Date                        | 05/21/2025                        | 05/21/2025                    | 05/21/2025       |
| Delivery Date                     | 05/21/2025                        | 05/21/2025                    | 05/21/2025       |
| First Coupon                      | 10/01/2025                        | 10/01/2025                    | 10/01/2025       |
| Last Maturity                     | 04/01/2055                        | 04/01/2055                    | 04/01/2055       |
| Arbitrage Yield                   | 4.541698%                         | 4.541698%                     | 4.541698%        |
| True Interest Cost (TIC)          | 4.659830%                         | 4.659826%                     | 4.659829%        |
| Net Interest Cost (NIC)           | 4.789965%                         | 4.789962%                     | 4.789964%        |
| All-In TIC                        | 4.684402%                         | 4.684400%                     | 4.684402%        |
| Average Coupon                    | 5.000000%                         | 5.000000%                     | 5.000000%        |
| Average Life (years)              | 20.642                            | 20.640                        | 20.641           |
| Weighted Average Maturity (years) | 20.452                            | 20.451                        | 20.452           |
| Duration of Issue (years)         | 12.871                            | 12.870                        | 12.871           |
| Par Amount                        | 96,000,000.00                     | 26,270,000.00                 | 122,270,000.00   |
| Bond Proceeds                     | 100,498,068.70                    | 27,500,813.30                 | 127,998,882.00   |
| Total Interest                    | 99,080,333.33                     | 27,111,069.44                 | 126,191,402.77   |
| Net Interest                      | 94,918,264.63                     | 25,972,201.14                 | 120,890,465.77   |
| Bond Years from Dated Date        | 1,981,606,666.67                  | 542,221,388.89                | 2,523,828,055.56 |
| Bond Years from Delivery Date     | 1,981,606,666.67                  | 542,221,388.89                | 2,523,828,055.56 |
| Total Debt Service                | 195,080,333.33                    | 53,381,069.44                 | 248,461,402.77   |
| Maximum Annual Debt Service       | 7,012,250.00                      | 1,920,500.00                  | 8,930,000.00     |
| Average Annual Debt Service       | 6,532,922.79                      | 1,787,645.12                  | 8,320,567.91     |
| Underwriter's Fees (per \$1000)   |                                   |                               |                  |
| Average Takedown                  |                                   |                               |                  |
| Other Fee                         | 3.500000                          | 3.500000                      | 3.500000         |
| Total Underwriter's Discount      | 3.500000                          | 3.500000                      | 3.500000         |
| Bid Price                         | 104.335488                        | 104.335243                    | 104.335436       |

| <b>Bond Component</b> | <b>Par<br/>Value</b>  | <b>Price</b> | <b>Average<br/>Coupon</b> | <b>Average<br/>Life</b> | <b>Duration</b> | <b>PV of 1 bp<br/>change</b> |
|-----------------------|-----------------------|--------------|---------------------------|-------------------------|-----------------|------------------------------|
| Bond Component        | 53,335,000.00         | 107.607      | 5.000%                    | 14.023                  | 10.224          | 42,927.55                    |
| Term Bond 2050        | 30,285,000.00         | 102.737      | 5.000%                    | 22.959                  | 14.015          | 24,228.00                    |
| Term Bond 2055        | 38,650,000.00         | 102.181      | 5.000%                    | 27.959                  | 15.469          | 30,533.50                    |
|                       | <b>122,270,000.00</b> |              |                           | <b>20.641</b>           |                 | <b>97,689.05</b>             |

|                            | <b>TIC</b>     | <b>All-In<br/>TIC</b> | <b>Arbitrage<br/>Yield</b> |
|----------------------------|----------------|-----------------------|----------------------------|
| Par Value                  | 122,270,000.00 | 122,270,000.00        | 122,270,000.00             |
| + Accrued Interest         |                |                       |                            |
| + Premium (Discount)       | 5,728,882.00   | 5,728,882.00          | 5,728,882.00               |
| - Underwriter's Discount   | (427,945.00)   | (427,945.00)          |                            |
| - Cost of Issuance Expense |                | (393,405.00)          |                            |
| - Other Amounts            |                |                       |                            |
| Target Value               | 127,570,937.00 | 127,177,532.00        | 127,998,882.00             |
| Target Date                | 05/21/2025     | 05/21/2025            | 05/21/2025                 |
| Yield                      | 4.659829%      | 4.684402%             | 4.541698%                  |

**SOURCES AND USES OF FUNDS**

**City of Grand Rapids**  
**County of Kent, State of Michigan**  
**Limited Tax General Obligation Bonds, Series 2025**  
**Final Numbers**

Dated Date                    05/21/2025  
 Delivery Date                05/21/2025

| <b>Sources:</b>         | <b>2025 Stadium<br/>Financing</b> | <b>2025 Gap<br/>Financing</b> | <b>Total</b>          |
|-------------------------|-----------------------------------|-------------------------------|-----------------------|
| Bond Proceeds:          |                                   |                               |                       |
| Par Amount              | 96,000,000.00                     | 26,270,000.00                 | 122,270,000.00        |
| Premium                 | 4,498,068.70                      | 1,230,813.30                  | 5,728,882.00          |
|                         | <b>100,498,068.70</b>             | <b>27,500,813.30</b>          | <b>127,998,882.00</b> |
|                         |                                   |                               |                       |
| <b>Uses:</b>            | <b>2025 Stadium<br/>Financing</b> | <b>2025 Gap<br/>Financing</b> | <b>Total</b>          |
| Project Fund Deposits:  |                                   |                               |                       |
| Project Fund            | 99,853,187.70                     | 27,324,344.30                 | 127,177,532.00        |
| Delivery Date Expenses: |                                   |                               |                       |
| Cost of Issuance        | 308,881.00                        | 84,524.00                     | 393,405.00            |
| Underwriter's Discount  | 336,000.00                        | 91,945.00                     | 427,945.00            |
|                         | <b>644,881.00</b>                 | <b>176,469.00</b>             | <b>821,350.00</b>     |
|                         | <b>100,498,068.70</b>             | <b>27,500,813.30</b>          | <b>127,998,882.00</b> |