



Financing an Industrial Development Project

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Develop New Industrial Park



Costs

| | |
|------------------------|----------------|
| Land | \$6.8M |
| Infrastructure Phase 1 | \$13.0M |
| Infrastructure Phase 2 | \$6.0M |
| Total | \$25.5M |

Funding Options

- Land Sales \$13.5M
- Savings \$3.6M
- Grants \$0-\$10M
- GO Bonds (Non-Voted) \$13.5M
- GO Bonds (Voted) \$19.7M
- TIF \$13M
- IDD \$14.2M



Financing the Project



Brainstorming

- What kind of debt can be issued?
- How much debt can the Port issue?
- How much debt should the Port issue?
- What other projects could the Port issue debt for?



What kind of debt can be issued?

- **Tax Status**
 - Taxable
 - Private Activity
 - Tax-Exempt
- **Security**
 - Revenue Bonds
 - GO Bonds



How much debt can the Port issue?

Non-Voter Approved Debt Limit Capacity

(Assessed Value x .0025 = debt capacity)

$\$8,438,770,742 \times .0025 = \$21,096,927$ debt capacity

Current Outstanding GO Debt = $\$9,002,565$

Available Debt Capacity = $\$12,094,362$



How much debt can the Port issue?

Voter Approved Debt Limit Capacity

(Assessed Value x .0075 = debt capacity)

$\$8,438,770,742 \times .0075 = \$63,290,781$ debt capacity

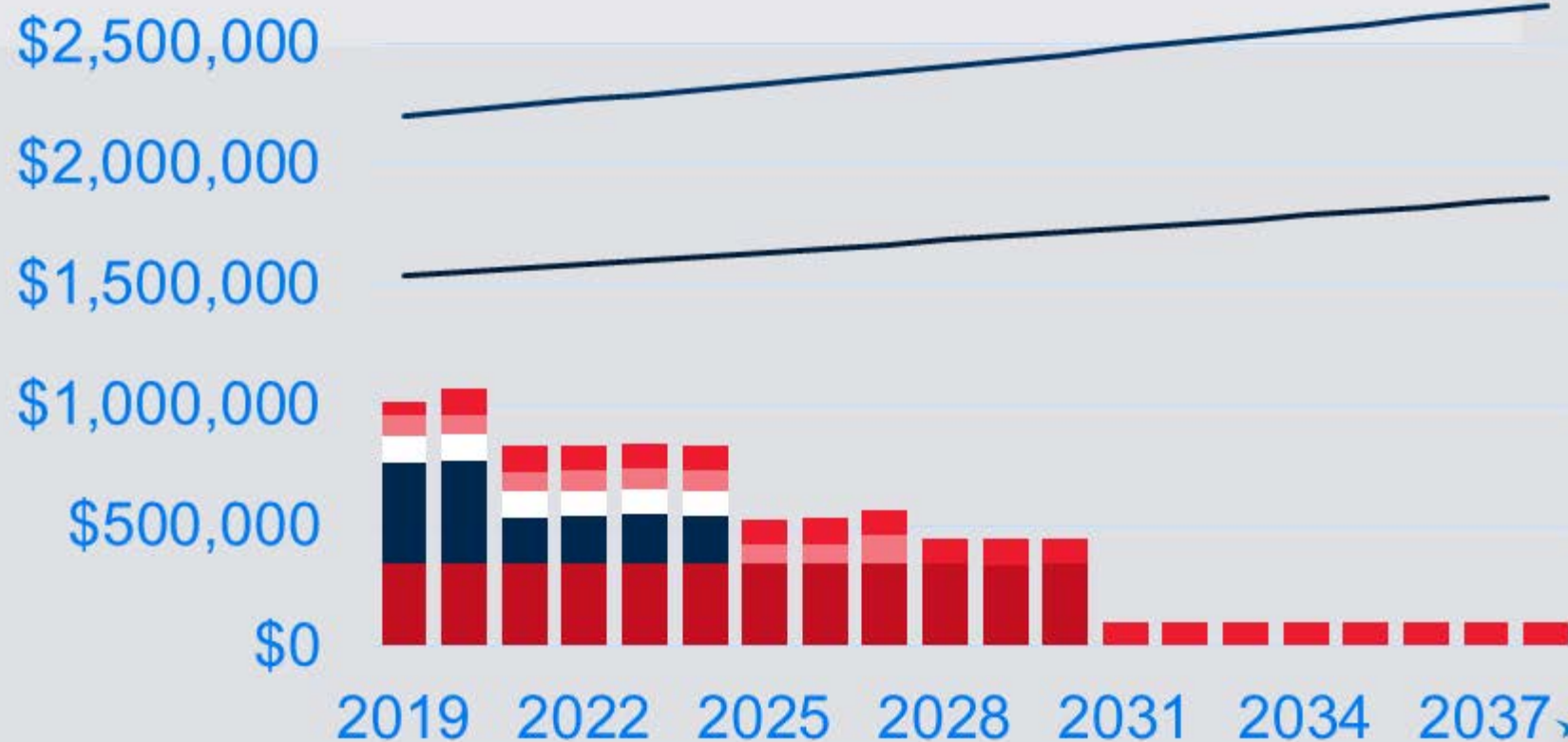
Current Outstanding GO Debt = $\$9,002,565$

Available Debt Capacity = $\$54,288,216$



How much debt should the Port Issue?

2019 Port of Pasco GO Debt Service



What other projects could the Port issue debt for?

When considering issuing taxable debt, ask yourself:

- Do I have tax-exempt eligible projects that I'm planning to pay cash for? If the answer is "Yes", then you may be able to redeploy your cash to the taxable project and finance the tax-exempt project.

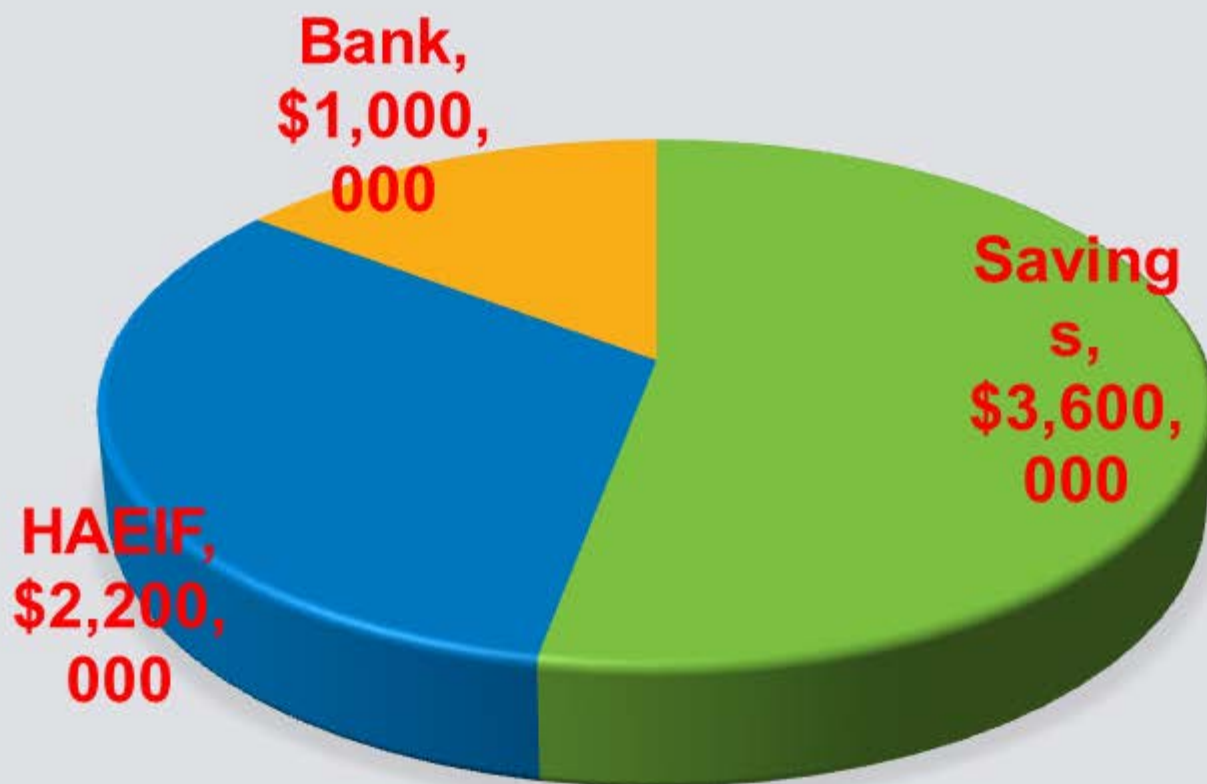
What if you are issuing both taxable and tax-exempt debt?

- See if you can structure the taxable debt to mature first, followed by the tax-exempt debt.



Financing the Land Purchase

SOURCES \$6.8M



Financing the Land Purchase

HAEIF Process

Application

Present to
Committee

Commission
Resolution

Committee
recommends
to the Board

Board approves an
amount



Financing the Land Purchase

Bank RFP Process



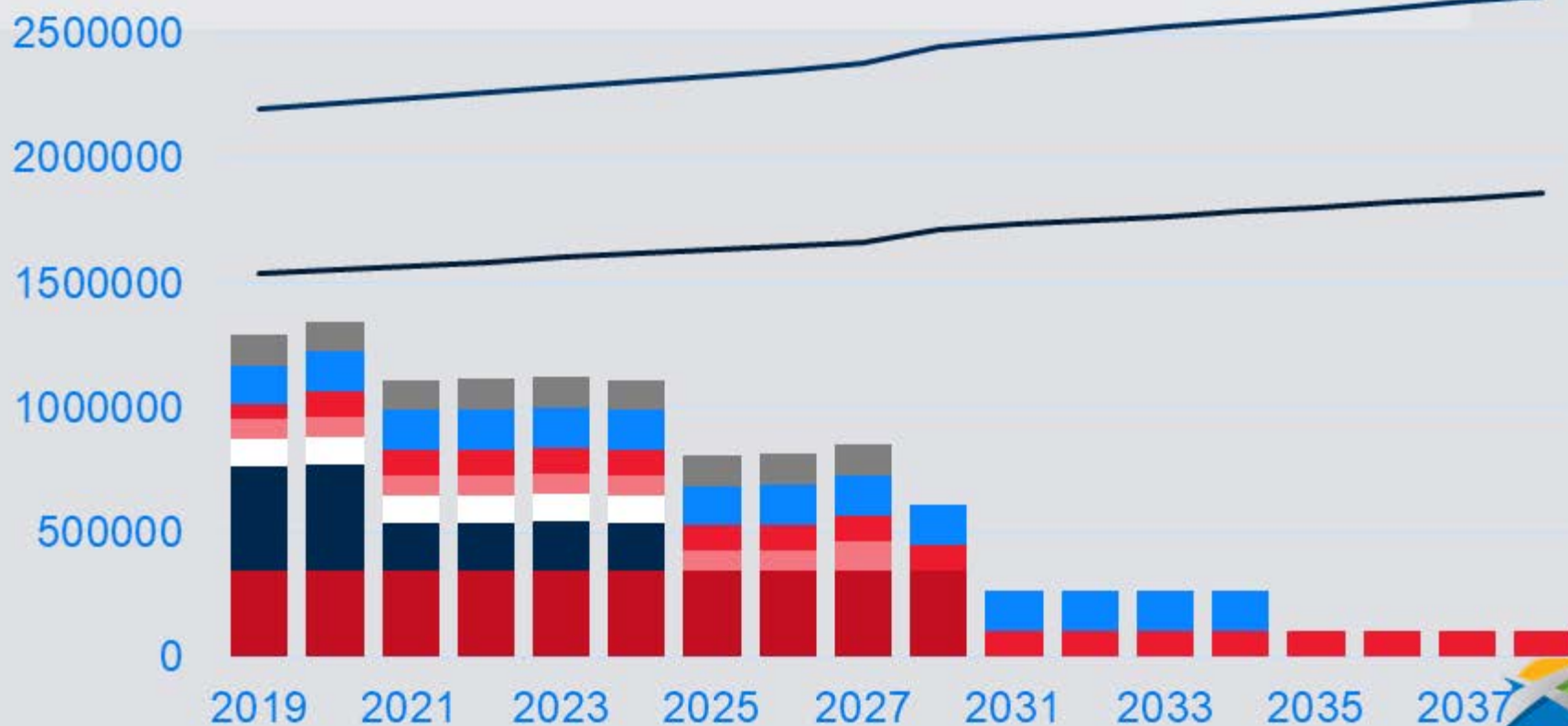
Request for Financing Proposals

- **Overview**
- **Tax Status**
- **Security**
- **Debt**
- **Information Requested**
- **Schedule**
- **Submission**
- **Additional Documents: Audits, Budgets, Resolution**
- **Purchaser's Receipt and Certificate**



How much debt should the Port Issue?

Port of Pasco GO Debt Service - Land



Port of Pasco



Financing the rest of the Project

Port of Pasco

Issuing additional \$10M Debt for Project

