



DeKalb County Government

Manuel J. Maloof Center
1300 Commerce Drive
Decatur, Georgia 30030

Legislation Text

File #: 2018-2865, Version: 1

Substitute

Public Hearing: YES NO Department: Finance

SUBJECT:

Commission District(s): All Commission Districts

Authorizing the Reallocation of the Funds Derived from the Clark Harrison Building Sale

Information Contact: Zachary Williams, Interim Chief Financial Officer

Phone Number: 404-371-2174

PURPOSE:

To derestrict and authorize the reallocation of \$11,935,925.77 received from the sale of the Clark Harrison office building located at 330 West Ponce de Leon Avenue, Decatur, GA on December 15, 2016 toward the vehicles itemized on the attachment.

NEED/IMPACT:

The Clark Harrison building was initially purchased with the proceeds of Certificates of Participation (COPs) in 2003 and the COPs were refinanced in 2013. To preserve the tax-exempt status of the 2013 COPs, the County must spend all of the proceeds from the sale of Clark Harrison for the acquisition, construction and/or equipping of one or more capital projects to be owned and operated by the County not later than **December 15, 2018** (i.e., two years following the date of the sale of Clark Harrison). If any of the Clark Harrison sale proceeds remain unspent on December 15, 2018, the County must deposit the unspent proceeds into an escrow fund for the purpose of defeasing the outstanding 2013 COPs debt financing. To satisfy the two year spending requirement for the 2013 COPs proceeds, the County may reallocate capital expenditures previously paid for by the County, so long as the reallocation occurs no later than 18 months after the payment of such expenditures. This action reallocates the \$11,935,925.77 received from the sale of Clark Harrison toward the vehicles itemized on the attachment which were previously purchased by the County vehicle replacement fund.

In April 2016, the proceeds from the Clark Harrison building sale were restricted to fund the construction of a new government center. This action derestricts the \$11,935,925.77 building sale proceeds from use to construct a government center in order to use as indicated above.

FISCAL IMPACT:

None.

RECOMMENDATION:

(1) Vote to derestrict the proceeds from the sale of the Clark Harrison Building from use only to construct a new government center, and (2) vote to reallocate the \$11,935,925.77 received from the Clark Harrison

Building sale to the vehicles itemized on the attachment which were previously purchased by the County vehicle replacement fund, and (3) Restrict \$11,935,925.77 in account 105003.80351.541403.01.602109 which will ensure that funds are expended only for approved capital projects. Authorize the Chief Executive Officer to execute any and all necessary documents in connection with this matter.