



City of Cleveland
Frank G. Jackson, Mayor

Department of Finance
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September 27, 2018

Kevin J. Kelley, Chairman
Cleveland City Council Finance Committee

Patricia Britt, Clerk of Council
Cleveland City Council

I am sending you this letter for your review and distribution to all members of City Council. As required by Section 20 of Ordinance 1364-17 passed on November 20, 2017 and Ordinance 666-18 passed on May 21, 2018, this letter is to notify you that the City intends to issue \$87,940,000 Airport System Revenue Bonds, Series 2018A and \$21,745,000 Airport System Revenue Bonds, Series 2018B effective October 4, 2018. These bonds are being issued to provide funds for capital improvements at Hopkins Airport and to refund certain outstanding Airport System Revenue Bonds. The City will enter into various agreements to accomplish the issuance and sale of the Series 2018A and 2018B Bonds and the refunding of those outstanding Bonds, including a supplemental indenture, escrow agreement and a continuing disclosure agreement.

The bonds being refunded as of October 4, 2018 by the 2018A Bonds are \$80,505,000 of the outstanding Series 2009C Airport System Revenue Bonds. The refunded bonds include those maturing January 1, 2020 through and including January 1, 2027. As a result of this refunding, the Airport System will realize \$6.3 million or 7.85% of net present value debt service savings.

The new money portion of the bonds will provide \$34,750,000 of funds for improvements to the Airport system. The 2018A new money bonds will be issued as AMT bonds (subject to the alternative minimum tax) while the 2018B new money bonds will be Non-AMT.

The 2018AB Bonds are being issued as fixed rate bonds and a portion of the bonds will be insured by Assured Guaranty Municipal Corp.

Sincerely,


Sharon Dumas, Director
Department of Finance

CLEVELAND CITY COUNCIL
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CITY CLERK, CLERK OF COUNCIL