



**MEETING DATE:** January 21, 2025

**AGENDA ITEM:** 11. Financial Consulting Agreement with Ridgeline Municipal Strategies, LLC

**FROM:** Adam Cox / Jon Kennedy

**RE:** Financial Consulting Agreement with Ridgeline Municipal Strategies, LLC

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## **BACKGROUND:**

The Interim Co-City Managers believe that there may be opportunities to restructure some city debt prior to or in lieu of filing Chapter 9 bankruptcy.

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## **EXECUTIVE SUMMARY:**

Ridgeline Municipal Strategies, LLC is a respected municipal financial advisory firm. They have agreed to assess the feasibility of refinancing or otherwise restructuring some city debt as an alternative to bankruptcy. Of particular concern is the now-defaulted debt owed to Red Tower Capital in the amount of \$500,000 with an APR of 12%.

The Red Tower loan used three city properties as collateral: City Hall, Fire Station, Community Center.

This agreement with Ridgeline Municipal Strategies, LLC is for a Not-to-Exceed amount of \$10,000.

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## **RECOMMENDATION:**

It is recommended that the City Council authorize a professional services agreement with Ridgeline Municipal Strategies, LLC to assess the feasibility of refinancing or restructuring city debts.

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## **FISCAL IMPACT:**

Up to \$10,000

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