



## Legislation Details (With Text)

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<b>On agenda:</b>	6/1/2021	<b>Final action:</b>			
<b>Title:</b>	Presentation and discussion of issues relating to a schedule of events for the proposed sale of Certificates of Obligation, Series 2021, for the construction of Deer Park Community Development Corporation (DPCDC) improvements (Community/Recreation Center), and General Obligation Bonds, Series 2021.				
<b>Sponsors:</b>	City Manager's Office, Finance				
<b>Indexes:</b>					
<b>Code sections:</b>					
<b>Attachments:</b>	1. Financing Plan and Schedule of Events Overview - Series 2021 GO and Series 2021 CO (5-19-21) (003)				

Date	Ver.	Action By	Action	Result
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Presentation and discussion of issues relating to a schedule of events for the proposed sale of Certificates of Obligation, Series 2021, for the construction of Deer Park Community Development Corporation (DPCDC) improvements (Community/Recreation Center), and General Obligation Bonds, Series 2021.

### Summary:

On May 1, 2021, the Deer Park voters approved General Obligation bond propositions A-D and the continuation of the one-half of one percent economic development Type B sales and use tax (proposition E) as follows:

- A) \$19,500,000 for the purpose of providing funds for the design, construction, acquisition, and equipment of drainage improvements and the acquisition of land, easements, and rights-of-way in connection therewith.
- B) \$16,900,000 for the purpose of providing funds for the design, construction, acquisition, and equipment of fire department facilities, including a new Fire Station #1, Fire Station #2, and training room.
- C) \$7,200,000 for the purpose of providing funds for the design, construction, acquisition, and equipment of streets and sidewalks, including related storm drainage and paving improvements, and the acquisition of easements and rights-of-way in connection therewith.
- D) \$22,300,000 for the purpose of providing funds for the design, construction, acquisition, and equipment of a new Jimmy Burke Activity Center, which will include a visitor center and museum.
- E) Type B economic development sales and use tax within the City at the rate of one-half of one

percent, as authorized by chapters 501 and 505 of the Texas Local Government Code for the promotion and development of the additional purpose of land, buildings, equipment, facilities, and improvements (including the maintenance and operating costs thereof) found by the board of directors of the Deer Park Community Development Corporation to be required or suitable for use for the following: amateur sports, children's sports, athletic, entertainment and public park purposes and events, including ball parks, parks and park facilities, and open space improvements (including (i) a community/recreation center complex with indoor pool, gymnasium, and indoor track and (ii) an outdoor pool and/or pool related facilities); related concession and automobile parking facilities; related roads, streets, and water and sewer facilities; and other related improvements that enhance any of the above.

At the May 25, 2021 Deer Park Community Development Corporation (DPCDC) special meeting, the City's Financial Advisor, John Robuck, from BOK Financial Securities, Inc., and the City's Bond Counsel, Jonathan Frels, from Bracewell LLP, attended the meeting and presented a financing plan and tentative schedule of events regarding the proposed issuance of the Certificates of Obligation for the construction of DPCDC improvements (Community/Recreation Center). The DPCDC approved a recommendation to City Council to approve a resolution authorizing publication of the Notice of Intention to Issue Certificates of Obligation, approving the preparation of the Preliminary Official Statement for these Certificates of Obligation, and approving other matters incidental thereto.

At the June 1, 2021 Council Workshop, Mr. Robuck and Mr. Frels will make a presentation and answer any questions regarding the following:

- 1) A financing plan and schedule of events for the issuance of Certificates of Obligation, Series 2021, in the amount of \$25,225,000 for the construction of DPCDC improvements (Community/Recreation Center); and
- 2) A financing plan and schedule of events for the issuance General Obligation Bonds, Series 2021, in the amount of \$24,600,000 for the following:
  - a. Drainage Improvements: \$9,800,000
  - b. Fire Department Facilities: \$10,800,000
  - c. Street Improvements: \$4,000,000

Mr. Robuck and Mr. Frels will be in attendance at the meeting to present a tentative schedule of events and to answer any questions related to this planned debt issuance.

Fiscal/Budgetary Impact: Payment of the debt service and issuance costs related to the Certificates of Obligation will be funded by sales tax revenues of the DPCDC; Payment of the debt service and issuance costs related to the General Obligation Bonds will be funded by ad valorem tax revenues.

Presentation and discussion. An action item is on the June 1, 2021 Regular City Council Meeting to approve a resolution authorizing publication of the Notice of Intention to Issue Certificates of Obligation for the Type B debt.