



Legislation Details (With Text)

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On agenda:	8/2/2022	Final action:			
Title:	Consideration of and action on the first supplement to the agreement between the City of Deer Park and the Deer Park Community Development Corporation for the construction of improvements.				
Sponsors:					
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Attachments:	1. FIRST SUPPLEMENT TO AGREEMENT RE CONST OF IMPROVS				

Date	Ver.	Action By	Action	Result
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Consideration of and action on the first supplement to the agreement between the City of Deer Park and the Deer Park Community Development Corporation for the construction of improvements.

Summary:

At an election held within the City on May 9, 2015 (the "2015 Election"), the voters approved a proposition authorizing the levy and collection of a sales and use tax within the City at the rate of one half of one percent (the "Additional Sales Tax") as authorized by the Act for the economic development purpose of financing the following public park purposes and events as authorized by the Act and the Election: Public park purposes and events, limited to the following list of projects and including the land, buildings, equipment, facilities, and improvements for such projects, and related improvements that enhance such projects: (a) replacement of the restroom facilities in Dow Park with a new pavilion structure that includes a stage, restrooms, and a concession stand; (b) renovation and expansion of the Community Center and Gym to include an indoor pool; (c) expansion of the existing Maxwell Center and parking lot; (d) renovation of baseball fields including but not limited to the Spencerview sports complex (Durant Fields); (e) renovation of the girls softball facilities at the Youth Sports Complex; (f) development of soccer fields; and (g) development of hike and bike trails (collectively, the "2015 Authorized Project").

At an election held within the City on May 1, 2021 (the "2021 Election"), the voters approved a proposition authorizing the following additional Type B economic development purpose: land, buildings, equipment, facilities and improvements (including the maintenance and operating costs thereof) found by the Board of Directors of the 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 (the “2021 Authorized Project,” and collectively with the 2015 Authorized Project, the “Authorized Project”).

The Corporation previously entered into the Agreement with the City to provide for the financing and construction of the Authorized Project. In accordance with the Agreement, the City issued its City of Deer Park, Texas, Certificate of Obligation, Series 2017 (the “Series 2017 Certificate”), which financed a portion of the Authorized Project. Under the Agreement, the Corporation agreed to pay the principal of and interest on the Series 2017 Certificate when due. The Series 2017 Certificates are currently subject to redemption prior to maturity at the option of the City, and the Corporation wishes to redeem the Series 2017 Certificate with proceeds of the Additional Sales Tax (as defined in the Agreement) on September 15, 2022 (the “Redemption Date”) in order to achieve debt service savings and create capacity to finance additional authorized projects of the Corporation. The Corporation now wishes to enter into this Supplement with the City in order to facilitate the redemption prior to maturity of the Series 2017 Certificates.

At its July 25, 2022 meeting, the Deer Park Community Development Corporation (DPCDC) Board made a recommendation to the City Council indicating its approval of this supplement to this agreement.

Fiscal/Budgetary Impact:

Cash defeasance of Certificates of Obligation, Series 2017.

Approve the first supplement to the agreement with the Deer Park Community Development Corporation (DPCDC) for the construction of improvements.