



Legislation Text

File #: RES 16-384, **Version:** 1

Consideration of and action on the adoption of a resolution by the City Council of the City of Deer Park, Texas, authorizing the publication of Notice of Intention to Issue Certificates of Obligation; and approving other matters incidental thereto.

Summary: As proposed in the FY 2016-2017 budget of the City, the City intends to issue certificates of obligation for the construction of parks and recreation projects approved by the voters on May 9, 2015. The maximum aggregate principal of the certificates will not exceed \$2,700,000. Proceeds from these certificates will be used to fund the following construction project:

Girls Softball Renovations at Youth Sports Complex - \$2,700,000

The FY 2016-2017 budget of the Deer Park Community Development Corporation ("Corporation") includes expenditures of \$63,000 for the annual debt service payments associated with the proposed \$2,700,000 certificates of obligation to be issued by the City. Issuance costs and paying agent fees estimated at \$23,500 are also budgeted by and will be paid by the Corporation.

The City's Financial Advisor, John Robuck, from BOK Financial Securities, Inc., and the City's Bond Counsel, Jonathan Frels, from Bracewell LLP, will be in attendance at the meeting to present a tentative schedule of events and to answer any questions related to this planned issuance.

Attached is a proposed resolution authorizing publication of the Notice of Intention to Issue Certificates of Obligation, and approving other matters incidental thereto. Note: based on the smaller size and shorter maturity structure of this issuance, the City intends to issue the certificates via private placement (similar to the first issuance for the projects of the Corporation), which will also result in lower issuance costs.

Fiscal/Budgetary Impact: Payment of the debt service and issuance costs related to these certificates will be funded by sales tax revenues of the Corporation through an agreement with the City.

Approve the resolution authorizing the publication of Notice of Intention to Issue Certificates of Obligation; and approve other matters incidental thereto.