



Legislation Text

File #: PRE 16-056, **Version:** 1

Presentation and discussion of issues relating to a schedule of events for the sale of Certificates of Obligation.

Summary: As proposed in the FY 2016-2017 Budget, the City intends to issue \$2,700,000 of Certificates of Obligation for the construction of parks and recreation projects, specifically the renovation of the girls' softball facilities at the Youth Sports Complex. This is one of the Type B projects approved by the voters on May 9, 2015. In accordance with the agreement between the City and the Deer Park Community Development Corporation ("Corporation"), funding of the debt service payments and associated issuance costs for these certificates will be from the dedicated 0.50% sales and use tax revenues of the Corporation. The FY 2016-2017 Budget of the Corporation includes \$63,000 for the annual debt service payments and \$23,500 for the paying agent fees and issuance costs associated with this debt.

At the October 24, 2016 meeting of the Board of Directors of the Corporation, the Board approved a recommendation that the City Council approve a Notice of Intention to issue certificates of obligation for the construction of these improvements.

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 debt issuance.

Fiscal/Budgetary Impact: Payment of the debt service and issuance costs related to these certificates will be funded by sales tax revenues of the Deer Park Community Development Corporation.

Presentation and discussion only during workshop.