



Legislation Text

File #: ORD 17-005, **Version:** 1

Consideration of and action on an ordinance authorizing the issuance and sale of the City of Deer Park, Texas, Certificates of Obligation, Series 2017; Levying a tax and providing for the security and payment thereof; and enacting other provisions relating thereto.

Summary: As included in the FY 2016-2017 Budget and in accordance with Resolution No. 2016-15 authorizing publication of the City's intention to issue Certificates of Obligation and approving the preparation of the Preliminary Official Statement, the City plans to proceed with the issuance of Certificates of Obligation, Series 2017. The \$2,700,000 proceeds from these certificates are planned for the construction of parks and recreation improvement projects, specifically the Girls Softball Renovations at Youth Sports Complex, 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.

These certificates will be issued through a private placement via a competitive bidding process. The attached ordinance, which authorizes the issuance and sale of the certificates, is in draft form since the bids for the certificates will not be received until January 17, 2017, the day of the City Council meeting. The bid results and other information will be updated and the final ordinance will be available prior to the meeting. John Robuck with BOK Financial Securities, Inc., the City's Financial Advisor, will be in attendance at the meeting to present the bid results. Jonathan Frels from Bracewell LLP, the City's Bond Counsel, will also be in attendance at the meeting to review any questions on the legal documentation.

Fiscal/Budgetary Impact:

The FY 2016-2017 Budget includes this proposed issuance of \$2,700,000 with the estimated debt service payment and the associated issuance costs projected at a total \$86,500 for the fiscal year. 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.

Approve the ordinance authorizing the issuance and sale of the City of Deer Park, Texas, Certificates of Obligation, Series 2017.