



Legislation Text

File #: 23-3055, Version: 1

STRATEGIC PRIORITY: Government Performance & Financial Management

AGENDA DATE: December 13, 2023

COUNCIL DISTRICT(S): N/A

DEPARTMENT: City Controller's Office

EXECUTIVE: Jack Ireland

SUBJECT

An ordinance authorizing **(1)** the issuance and sale of City of Dallas, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2024 in an aggregate principal amount not to exceed \$239,500,000; **(2)** levying a tax in payment thereof; **(3)** prescribing the form of said certificates; **(4)** approving and awarding the sale of the certificates and approving execution of a purchase agreement; **(5)** approving the official statement; and **(6)** enacting provisions incident and relating to the subject - Not to exceed \$1,093,980 - Financing: 2024 Certificates of Obligation Funds

BACKGROUND

The FY 2022-23 and the FY 2023-24 budgets assume the issuance Certificates of Obligations (CO) to fund capital improvements to the City. Currently, the City is seeking to issue \$78.5 million in CO for street and sidewalk improvements; \$68.4 million for stormwater drainage improvements; and \$90.0 million for capital improvements to Fair Park (debt to be paid by State Fair surplus revenue and facility surcharge). The City's financial advisors, Hilltop Securities, Inc. and Estrada Hinojosa & Co., recommend the issuance of Combination Tax and Revenue Certificates of Obligation, Series 2024, in a combined amount not to exceed \$239.5 million for the purpose of funding capital improvements, including street and sidewalk improvements, stormwater drainage, and projects at Fair Park.

This ordinance authorizes City staff and financial advisors, subject to parameters, to issue City of Dallas, Combination Tax and Revenue Certificates of Obligation, Series 2024 in a competitive sale, scheduled in January 2024.

ESTIMATED SCHEDULE OF PROJECT

Authorize Preparation for Issuance of Bonds	October 2023
Authorize Notice of Intent	October 2023
Approval of Parameters Ordinances	December 2023
Pricing	January 2024
Delivery of Proceeds	January 2024

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

The Government Performance and Financial Management Committee was briefed on “FY2023-24 Debt Issuance Overview” on October 23, 2023.

On October 25, 2023, the City Council authorized a resolution authorizing the preparation of plans and the payment of potential future costs and expenses for the issuances of Combination Tax and Revenue Certificates of Obligation, Series 2024A in an amount not to exceed \$239,500,000, by Resolution No. 23-1448.

On October 25, 2023, the City Council authorized a resolution (1) authorizing the publication of Notice of Intention to Issue Certificates of Obligation; (2) approving the preparation of a preliminary official statement and a Notice of Sale; and (3) providing for the effective date thereof by Resolution No. 23-1449.

FISCAL INFORMATION

Fund	FY 2024	FY 2025	Future Years
2024 Certificates of Obligation Fund	\$1,093,980.00	\$0.00	\$0.00

Attachment I provides an estimate of bond issuance costs for the proposed equipment notes and the M/WBE participation. Payment of fees and expenses is contingent upon the issuance and sale of the Combination Tax and Revenue Certificates of Obligation, Series 2024.