



Legislation Text

File #: 24-114, Version: 1

STRATEGIC PRIORITY: Government Performance & Financial Management

AGENDA DATE: January 24, 2024

COUNCIL DISTRICT(S): N/A

DEPARTMENT: City Controller's Office

EXECUTIVE: Jack Ireland

SUBJECT

A resolution authorizing the preparation of plans and the payment of potential future costs and expenses for the issuances of **(1)** General Obligation Refunding **and Improvement** Bonds, Series 2024A in an amount not to exceed ~~\$410,000,000~~ [\\$55,000,000](#); **(2)** General Obligation Refunding **and Improvement** Bonds, Series 2024B in an amount not to exceed ~~\$55,000,000~~ [\\$410,000,000](#); and **(3)** Combination Tax and Revenue Certificates of Obligation, Series 2024B in an amount not to exceed \$218,000,000 - Financing: This action has no cost consideration to the City (see Fiscal Information for potential future costs)

BACKGROUND

This item authorizes the preparation of plans and the payment of potential future costs and expenses for multiple bond issuances. Pursuant to elections held in November 2017, the residents of Dallas voted and authorized the City to issue general obligation bonds for the purpose of providing funds for permanent public improvements. In addition to issuing bonds for capital projects, the City also issues bonds to satisfy other funding needs.

The City's co-financial advisors, Hilltop Securities, Inc. and Estrada Hinojosa & Co., recommend collectively issuing up to \$683,000,000 in bonds for the purpose of funding capital improvements, refunding special obligations of the City, refunding outstanding obligations for savings, and funding unanticipated bond program cost overruns for certain capital projects [and other street improvement projects/initiatives](#). Based on the funding needs, the City's co-financial advisors recommend the issuance of: (1) General Obligation Refunding **and Improvement** Bonds, Series 2024A [in an amount not to exceed \\$55,000,000 to refund special obligations of the City as required by a final judgement against the City awarded to Trinity East Energy, LLC to finance capital improvement projects at the City and refund eligible Series 2014 obligations for savings, in an amount not to exceed \\$410,000,000](#); (2) General Obligation Refunding **and Improvement** Bonds, Series 2024B [to finance capital improvement projects at the City and refund eligible Series 2014 obligations for savings](#) in an amount not to exceed ~~\$55,000,000~~ [\\$410,000,000 to refund special obligations of the City as required by a final judgement against the City awarded to Trinity East Energy, LLC](#); and (3) Combination Tax and Revenue Certificates of Obligation, Series 2024B in an amount not to exceed \$218,000,000 to

finance 2017 Bond Program cost overruns [and other street improvement projects/initiatives](#).

The issuance and sale of the bonds and certificates of obligation is contingent upon the City Council approval to begin preparations of the issuances, approval of a Notice of Intent to issue Certificates of Obligation concurrently with this item, and parameters Ordinances currently scheduled for consideration and approval by City Council in February and March 2024. The bond issuances are structured to issue separately according to funding needs and timing requirements.

ESTIMATED SCHEDULE OF PROJECT

Authorize Preparation for Issuance of Bonds	January 2024
Authorize Notice of Intent	January 2024
Approval of Parameters Ordinances	February and March 2024
Pricing	February and April 2024
Delivery of Proceeds	March and May 2024

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

The Government Performance and Financial Management Committee will be briefed by memorandum regarding this matter on January 22, 2024.

FISCAL INFORMATION

This action has no cost consideration to the City. The anticipated cost of issuance is a total of approximately \$2,~~480,354,250~~000 from [Series 2024A](#) General Obligation Refunding **and Improvement** Bonds; **Series 2024A** Fund; [Series 2024B](#) General Obligation Refunding **(Settlement) and Improvement** Bonds; **Series 2024B** Fund; and [Series 2024B](#) Certificates of Obligation; **Series 2024B** Fund. See Attachment I.

Attachment I provides an estimate of bond issuance costs for the proposed bonds, certificates of obligation, and the M/WBE participation. Payment of fees and expenses is contingent upon the issuance and sale of the bonds.