



City of League City, TX

300 West Walker
League City TX 77573

Text File

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Version: 1

Status: ATS Review

In Control: Administrator

File Type: Agenda Item

Title

Consider and take action on a resolution authorizing the publication of notice of intention to issue certificates of obligation (Assistant City Manager)

..Background:

Approval of this item will authorize the City Secretary to publish the attached notice of intention to issue certificates of obligation. This notice is required in order to issue the Series 2017 Certificates of Obligation.

State law provides that the city may issue certificates of obligation after notice has been published 30 days in advance. The law states: "If before the date tentatively set for the authorization of the issuance of the certificates or if before the authorization the municipal secretary or the county clerk if the issuer is a county, receives a petition signed by at least five percent of the qualified voters of the issuer protesting the issuance of the certificates, the issuer may not authorize the issuance of the certificates unless the issuance is approved at an election ordered, held and conducted in the manner provided for bond elections under Chapter 1251, Government Code."

The notice of intent includes authorization for up to \$18.2 million to include a sufficient margin in excess of the required funding to cover the costs of the sale as well as any changes in the market conditions. Based upon current projections prepared by the City's financial advisory firm, First Southwest Company, we expect the final bond issue provide \$13.5 million in City project funds and \$4.5 million for TIRZ #4. The funding list is composed of \$4.9 million in tax supported projects, \$8.3 million in water utility projects, and \$4.5 million for TIRZ #4. The TIRZ portion of the bond will be funded by TIRZ #4. The debt payments for tax supported projects will be funded by ad valorem tax revenue. The debt payments for water utility projects will be funded from water utility revenue.

In addition to the notice, information has been distributed through the City's newsletter, "City Matters", website and social media. The City Council will hold a public hearing on April 25 and again on June 13 to provide citizens the opportunity to speak on the issue.

The certificates are scheduled to be issued on June 13, 2017.

Attachments

1. Data Sheet
2. Proposed Resolution and Notice

FUNDING

{X} NOT APPLICABLE

{ } Funds are available from Account # _____

{ } Requires Budget Amendment to transfer from Account # _____ to Account # _____