

Legislation Text

File #: 24-791, **Version:** 1

PRESENTER:

Sandy Paulos, Director of Finance

SUBJECT:

Discuss and consider a resolution authorizing proceeding with issuance of Certificates of Obligations and further directing the publication of Notice of Intention to issue City of New Braunfels, Texas Combination Tax and Revenue Certificates of Obligation, Series 2024.

DEPARTMENT: Finance**COUNCIL DISTRICTS IMPACTED:** All districts**BACKGROUND INFORMATION:**

Attached for Council consideration is the resolution related to the issuance in an amount not to exceed \$8 million in Certificates of Obligation for the purchase of 130 acres of park land and the payment of professional services in connection therewith including legal, fiscal and engineering fees and the costs of issuing the Certificates of Obligation and other matters related thereto.

The New Braunfels Economic Development Corporation (NBEDC) intends to issue \$8 million in Certificates of Obligation as a funding strategy for the purchase of approximately 130 acres of parkland in the northwest area of the city limits. The NBEDC proposes to issue the \$8 million in Certificates of Obligation on behalf of the City's credit rating, which allows the NBEDC to take advantage of better interest rates. The debt service will be entirely supported by the NBEDC (sales tax).

City Council approved the purchase of this land by the NBEDC at its 2/12/24 meeting. A reimbursement resolution related to this purchase was approved by Council at its April 22, 2024 meeting.

The funds for the Certificates of Obligation will be wired to the City's depository bank on September 25, 2024.

ISSUE:

N/A

STRATEGIC PLAN REFERENCE:☐Economic Mobility ☐Enhanced Connectivity ☐Community Identity☐Organizational Excellence ☒Community Well-Being ☐N/A

Performance Measure: Progress towards acres of parkland per 1,000 residents metric as established by updated Parks and Recreation Master Plan.

FISCAL IMPACT:

The annual debt service related to the Certificates of Obligation will be supported entirely by the NBEDC.

RECOMMENDATION:

Staff recommends approval of the resolution authorizing proceeding with issuance of Certificates of Obligations and further directing the publication of Notice of Intention to issue City of New Braunfels, Texas Combination Tax and Revenue Certificates of Obligation, Series 2024.