



CITY OF MCKINNEY, TEXAS

Legislation Text

File #: 22-0640, **Version:** 1

Consider/Discuss/Act on an Ordinance Authorizing the Issuance of “City of McKinney, Texas, Tax Increment Revenue Bonds, Series 2022” (TIRZ #1), and Delegating Matters Relating to the Sale and Issuance of Said Bonds to an Authorized City Official(s)

COUNCIL GOAL: Financially Sound Government
4A: Provide funding and organizational framework to ensure continual economic improvements

MEETING DATE: July 19, 2022

DEPARTMENT: Financial Services

CONTACT: Mark Holloway, Chief Financial Officer

RECOMMENDED CITY COUNCIL ACTION:

- Approval of Ordinance

ITEM SUMMARY:

- The City is issuing new Tax Increment Revenue Bonds (TIRZ #1) in an amount not to exceed \$16,500,000 for:
 - Construction of City Hall
 - Improvement of Streets, Drainage, Utility, Pedestrian and Lighting
 - Issuance Costs
 - Deposit to the Debt Service Reserve Fund/Bond Insurance
- The current interest rate for the bonds ranges shall not exceed 6% per annum.
- Maximum final maturity of August 15, 2052.
- Additionally, approval of this ordinance will designate the City Manager, Chief Financial Officer and Director of Finance as Pricing Officers to execute the transaction. This will enable pricing of the bonds at such time as the market conditions are most favorable.

BACKGROUND INFORMATION:

- Continuing growth drives the need for major capital improvements.
- Applications have been made to Standard and Poor's (S&P) to assess the bond rating.

FINANCIAL SUMMARY:

- Total not to exceed amount for new issues is \$16,500,000

BOARD OR COMMISSION RECOMMENDATION:

- TIRZ Board Approved on June 19, 2022