

**FACT SHEET****CITY OF SHREVEPORT, LOUISIANA**

<b><u>TITLE</u></b> A RESOLUTION MAKING APPLICATION TO THE LOUISIANA STATE BOND COMMISSION FOR APPROVAL OF THE INCURRING OF DEBT AND ISSUANCE BY THE CITY OF SHREVEPORT, STATE OF LOUISIANA OF NOT TO EXCEED THIRTY FIVE MILLION DOLLARS (\$35,000,000) REVENUE BONDS, AND OTHERWISE PROVIDING WITH RESPECT THERETO	<b><u>DATE</u></b> July 10, 2020	<b><u>ORIGINATING DEPARTMENT</u></b> City Attorney's Office <b><u>COUNCIL DISTRICT</u></b> City-wide <b><u>SPONSOR</u></b>
--	-------------------------------------	--

**PURPOSE**

To approve professionals to make application to State Bond Commission in conjunction with the issuance of NTE \$35,000,000 Revenue Bonds, in one or more series (the "Bonds"), for the purposes of providing funds to the City due to significant revenue decrease of the City in mitigation of the negative financial impact of COVID-19.

**BACKGROUND INFORMATION**

This resolution would approve the authority to submit an application to State Bond Commission for purpose of seeking approval for issuance of NTE \$35,000,000 by the City in connection with the issuance of the Bonds.

**TIMETABLE**

Introduction: July 14, 2020  
Final Passage: July 28, 2020

**ATTACHMENTS**

n/a Transcribed totals of votes

**SPECIAL PROCEDURAL REQUIREMENTS****FINANCES**

REGIONS

**SOURCE OF FUNDS**

AEP/SWEPCO Franchise fee and lawfully available funds pledge will secure the transaction.

**ALTERNATIVES**

(1) Adopt the Resolution as submitted; (2) Amend the Resolution, then adopt; or (3) Reject the Resolution.

**RECOMMENDATION**

The City Attorney's Office recommends adoption of the resolution.

**FACT SHEET PREPARED BY:**

Thea Scott,  
Assistant City Attorney

**RESOLUTION NO. \_\_\_\_\_ OF 2020**

**A RESOLUTION MAKING APPLICATION TO THE LOUISIANA STATE BOND COMMISSION FOR APPROVAL OF THE INCURRING OF DEBT AND ISSUANCE BY THE CITY OF SHREVEPORT, STATE OF LOUISIANA OF NOT TO EXCEED THIRTY FIVE MILLION DOLLARS (\$35,000,000) REVENUE BONDS, AND OTHERWISE PROVIDING WITH RESPECT THERETO**

**WHEREAS**, The City of Shreveport, State of Louisiana (the “**Issuer**”) levies a franchise fee on utilities (the “**Franchise Fee**”) and the Issuer desires to pledge the revenues derived from such Franchise Fee to the repayment of the Bonds (defined below); and

**WHEREAS**, the Issuer receives revenues from other sources that are deposited in its general fund or other funds and are available for the payment of debt service on the obligations of the Issuer to the extent so pledged (the “**General Revenues**” and together with the Franchise Fee, the “**Pledged Revenues**”); and

**WHEREAS**, Section 1430 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, (the “**Act**”) authorizes the Issuer to issue revenue bonds or notes for any authorized purpose payable out of the income, revenues, receipts derived or to be derived by the issuer; and

**WHEREAS**, Pursuant to the authority granted in the Act, the Issuer desires to incur debt and issue not to exceed Thirty-Five Million Dollars (\$35,000,000) Revenue Bonds, in one or more Series, on a tax-exempt or taxable basis (the “**Bonds**”), in the manner authorized and provided by the Act, as hereinafter provided, for the purposes of (i) funding operations and expenses in the current and upcoming fiscal years, and (ii) paying the costs of issuance associated with the issuance of the Bonds, said Bonds to mature not to exceed five (5) years from the date of issuance and to bear interest at a rate or rates not to exceed four per centum (4%) per annum; and

**WHEREAS**, the Issuer desires to make formal application to the Louisiana State Bond Commission for approval of the above described borrowing;

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Shreveport, State of Louisiana, acting as the governing authority of the Issuer (the “**Governing Authority**”), that:

**SECTION 1. State Bond Commission.** Application is hereby made to the Louisiana State Bond Commission, Baton Rouge, Louisiana (the “**SBC**”), for approval of the borrowing of not to exceed Thirty-Five Million Dollars (\$35,000,000) by Issuer, to be evidenced by Revenue Bonds, in one or more Series, on a tax-exempt or taxable basis (the “**Bonds**”), to bear interest from date thereof at a rate or rates not to exceed four per centum (4%) per annum, and to

mature not to exceed five (5) years from the date of issuance, for the purposes of (i) funding operations and expenses in the current and upcoming fiscal years, and (ii) paying the costs of issuance associated with the issuance of the Bonds. The Bonds shall be secured by and payable the Pledged Revenues.

**SECTION 2. Employment of Bond Counsel.** This Governing Authority finds and determines that a real necessity exists for the employment of special bond counsel in connection with the issuance of the Bonds. Washington & Wells, LLC, Shreveport, Louisiana (“**Bond Counsel**”) are hereby employed to do and perform comprehensive legal and coordinate professional work as Bond Counsel with respect to the issuance and sale of the Bonds. Said Bond Counsel shall prepare and submit to this Governing Authority for adoption of all of the proceedings incidental to the authorization, issuance, sale and delivery of such Bonds, shall counsel and advise this Governing Authority as to the issuance and sale thereof and shall furnish its opinion covering the legality of the issuance of the Bonds. The fee of said Bond Counsel shall be fixed at a sum not exceeding the maximum fee allowed by the Attorney General of the State of Louisiana’s fee schedule for comprehensive, legal and coordinate professional work in connection with the issuance of revenue bonds and based on the amount of the Bonds actually issued, sold, delivered and paid for, plus “out-of-pocket” expenses, said fees to be contingent upon the issuance, sale and delivery of said Bonds. A certified copy of this resolution shall be submitted to the Attorney General of the State of Louisiana for his written approval of said employment and of the fees herein designated.

**SECTION 3. Employment of Municipal Advisor.** RSI Group, Little Rock, Arkansas is hereby appointed and employed as municipal advisor ( the “**Municipal Advisor**”) in connection with the issuance of the Bonds and other assignments, any compensation to be subsequently approved by the Governing Authority and to be paid from the proceeds of the Bonds and contingent upon the issuance of the Bonds, provided that no compensation shall be due to said Municipal Advisor unless the Bonds are sold and delivered.

**SECTION 4. Employment of Trustee.** The Governing Authority hereby finds and determines that a real necessity exists for a trustee, paying agent and/or registrar (together the “**Trustee**”) with respect to the Bonds and Regions Bank, Baton Rouge, Louisiana is hereby appointed and employed to act as Trustee, in paying to the registered owners of the Bonds the principal, premium, if any, and interest on the Bonds and to act as registrar of the Bonds on the Bond register, all in accordance with the terms of the Bonds, any compensation to be subsequently approved by the Governing Authority and to be paid from the proceeds of the Bonds and contingent upon the issuance of the Bonds, provided that no compensation shall be due to said Trustee unless the Bonds are sold and delivered.

**SECTION 5. Employment of Special Tax Counsel.** Foley & Judell, L.L.P., Baton Rouge, Louisiana is hereby appointed and employed as special tax counsel ( the “**Tax Counsel**”) in connection with the issuance of the Bonds and other assignments, any compensation to be subsequently approved by the Governing Authority and to be paid from the proceeds of the

Bonds and contingent upon the issuance of the Bonds, provided that no compensation shall be due to said Tax Counsel unless the Bonds are sold and delivered.

**SECTION 6. Employment of Other Professionals.** Should it be necessary to engage other professionals, the Authorized Officers (as defined below) shall be entitled to engage such professionals provided however that any contracts employing such professionals shall be promptly submitted to this Governing Authority.

**SECTION 7. SBC Swap Approval.** By virtue of Issuer's application for, acceptance and utilization of the benefits of the Louisiana State Bond Commission's approval(s) resolved and set forth herein, it resolves that it understands and agrees that such approval(s) are expressly conditioned upon, and it further resolves that it understands, agrees and binds itself, its successors and assigns to, full and continuing compliance with the "State Bond Commission Policy on Approval of Proposed Use of Swaps, or other forms of Derivative Products Hedges, Etc.", adopted by the Commission on July 20, 2006, as to the borrowing(s) and other matter(s) subject to the approval(s), including subsequent application and approval under said Policy of the implementation or use of any swap(s) or other product(s) or enhancement(s) covered thereby.

**SECTION 8. Authorized Officers.** The Secretary and Chairperson of the Governing Authority are hereby authorized, empowered, and directed to execute such documents, certificates and instruments as they may deem necessary to effect the transactions contemplated by this resolution, to take all necessary actions to effect the transactions contemplated by this resolution.

[Remainder of this page intentionally left blank]

**BE IT FURTHER RESOLVED** that all resolutions in conflict herewith are hereby repealed.

**APPROVED AS TO LEGAL FORM:**

---

**City Attorney's Office**