

FACT SHEET

CITY OF SHREVEPORT, LOUISIANA

TITLE

A RESOLUTION DECLARING THE INTENTION OF THE CITY OF SHREVEPORT, STATE OF LOUISIANA (THE "ISSUER"), TO PROCEED WITH THE ISSUANCE OF NOT TO EXCEED SIXTY-TWO MILLION FIVE HUNDRED THOUSAND DOLLARS (\$62,500,000) AGGREGATE PRINCIPAL AMOUNT OF TAXABLE OR TAX-EXEMPT GENERAL OBLIGATION REFUNDING BONDS, IN ONE OR MORE SERIES; MAKING APPLICATION TO THE STATE BOND COMMISSION FOR APPROVAL; AND PROVIDING FOR OTHER MATTERS IN CONNECTION THEREWITH.

DATE

June 8, 2022

ORIGINATING DEPARTMENT

City Attorney's Office

COUNCIL DISTRICT

City-wide

SPONSOR

PURPOSE

To provide preliminary approval for the incurring of debt and issuance of NTE \$62,500,000 General Obligation Refunding Bonds, in one or more series, for the purposes of (i) refunding and/or defeasing of all or certain maturities of the City's \$93,500,000 General Obligation Bonds, Series 2014 (the "**Refunded Bonds**"), and (ii) paying the costs of issuance of the Bonds (collectively, the "**Refunding**"), which will provide debt service reductions and savings.

BACKGROUND INFORMATION

This Resolution would approve the employment of the professionals engaged by the City in connection with the issuance of the Bonds.

TIMETABLE

Introduction: June 14, 2022
 Final Passage: June 14, 2022

ATTACHMENTS

N/A

SPECIAL PROCEDURAL REQUIREMENTS

N/A

FINANCES

SOURCE OF FUNDS

N/A

Unlimited ad valorem taxes on all the taxable property within the boundaries of the City, in compliance with a special election held by the Issuer on April 2, 2011.

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:

Boles Shafto, LLC
Washington & Wells, LLC

RESOLUTION NO. ____ OF 2022

A RESOLUTION DECLARING THE INTENTION OF THE CITY OF SHREVEPORT, STATE OF LOUISIANA (THE "ISSUER"), TO PROCEED WITH THE ISSUANCE OF NOT TO EXCEED SIXTY-TWO MILLION FIVE HUNDRED THOUSAND DOLLARS (\$62,500,000) AGGREGATE PRINCIPAL AMOUNT OF TAXABLE OR TAX-EXEMPT GENERAL OBLIGATION REFUNDING BONDS, IN ONE OR MORE SERIES; MAKING APPLICATION TO THE STATE BOND COMMISSION FOR APPROVAL; AND PROVIDING FOR OTHER MATTERS IN CONNECTION THEREWITH.

BY: COUNCILMEMBER _____.

WHEREAS, at its meeting held on January 20, 2011 the Louisiana State Bond Commission (the "**State Bond Commission**") did approve the submission of the following propositions to the qualified electors the City of Shreveport, State of Louisiana (the "**City**" or "**Issuer**"), viz

CITY OF SHREVEPORT PROPOSITION NO. 1

SUMMARY: AUTHORITY TO ISSUE NOT EXCEEDING NINETY-TWO MILLION SIX HUNDRED SEVENTY THOUSAND DOLLARS (\$92,670,000), OF GENERAL OBLIGATION BONDS OF THE CITY, IN ONE OR MORE SERIES, FOR A TERM NOT EXCEEDING 20 YEARS FROM THE DATE OF ISSUANCE OF EACH SERIES, FOR THE PURPOSE OF CONSTRUCTING, ACQUIRING, AND/OR IMPROVING THE WATER SYSTEM AND THE SEWER SYSTEM AND APPURTENANCES THERETO AND ACQUIRING THE NECESSARY LAND OR RIGHTS THEREIN, EQUIPMENT AND FURNISHINGS THEREFORE, SAID BONDS TO BE PAYABLE FROM AD VALOREM TAXES.

Shall the City of Shreveport, State of Louisiana (the "City"), incur debt and issue bonds, in one or more series, not exceeding the amount of Ninety-two Million Six Hundred Seventy Thousand Dollars (\$92,670,000), for a term not exceeding twenty (20) years from the date of issuance of each series thereof, with interest at a rate or rates not exceeding nine per centum (9%) per annum, if taxable and not exceeding seven per centum (7%) per annum, if tax-exempt (the estimated millage rate to be levied in the first year of issue is 7.447), for the purpose of constructing, acquiring, and/or improving the water system and the sewer system and appurtenances thereto, and acquiring the necessary land or rights therein, equipment and furnishings therefore, which bonds will be general obligations of the City and will be payable from ad valorem taxes to be levied and collected in the manner provided by Article VI, Section 33 of the Constitution of the State of Louisiana of 1974 and statutory authority supplemental thereto?

CITY OF SHREVEPORT PROPOSITION NO. 2

SUMMARY: AUTHORITY TO ISSUE NOT EXCEEDING THIRTY EIGHT MILLION DOLLARS (\$38,000,000), OF GENERAL OBLIGATION BONDS OF THE CITY, IN ONE OR MORE SERIES, FOR A TERM NOT EXCEEDING 20 YEARS FROM THE DATE OF ISSUANCE OF EACH SERIES, FOR THE PURPOSE OF CONSTRUCTING, ACQUIRING, AND IMPROVING PUBLIC FACILITIES

AND EQUIPMENT FOR PARKS AND RECREATION, PUBLIC BUILDINGS, THE POLICE DEPARTMENT, FIRE DEPARTMENT, AND FINANCE DEPARTMENT AND ACQUIRING THE NECESSARY LAND OR RIGHTS THEREIN, EQUIPMENT AND FURNISHINGS THEREFORE, SAID BONDS TO BE PAYABLE FROM AD VALOREM TAXES.

Shall the City of Shreveport, State of Louisiana (the "City"), incur debt and issue bonds, in one or more series, not exceeding the amount of Thirty-Eight Million Dollars (\$38,000,000), for a term not exceeding twenty (20) years from the date of issuance of each series thereof, with interest at a rate or rates not exceeding nine per centum (9%) per annum, if taxable and not exceeding seven per centum (7%) per annum, if tax-exempt (the estimated millage rate to be levied in the first year of issue is 3.053), for the purpose of constructing, acquiring, and improving public facilities and equipment for parks and recreation, public buildings, the police department, fire department, and finance department and acquiring the necessary land or rights therein, equipment and furnishings therefore, which bonds will be general obligations of the City and will be payable from ad valorem taxes to be levied and collected in the manner provided by Article VI, Section 33 of the Constitution of the State of Louisiana of 1974 and statutory authority supplemental thereto?

CITY OF SHREVEPORT PROPOSITION NO. 3

SUMMARY: AUTHORITY TO ISSUE NOT EXCEEDING FORTY-FOUR MILLION THREE HUNDRED THIRTY THOUSAND DOLLARS (\$44,330,000), OF GENERAL OBLIGATION BONDS OF THE CITY, IN ONE OR MORE SERIES, FOR A TERM NOT EXCEEDING 20 YEARS FROM THE DATE OF ISSUANCE OF EACH SERIES, FOR THE PURPOSE OF CONSTRUCTING, ACQUIRING, AND/OR IMPROVING THE STREETS, HIGHWAYS, BRIDGES, AND DRAINAGE SYSTEMS AND APPURTENANCES THERETO AND ACQUIRING THE NECESSARY LAND OR RIGHTS THEREIN, EQUIPMENT AND FURNISHINGS THEREFORE, SAID BONDS TO BE PAYABLE FROM AD VALOREM TAXES.

Shall the City of Shreveport, State of Louisiana (the "City"), incur debt and issue bonds, in one or more series, not exceeding the amount of Forty-four Million Three Hundred Thirty Thousand Dollars (\$44,330,000), for a term not exceeding twenty (20) years from the date of issuance of each series thereof, with interest at a rate or rates not exceeding nine per centum (9%) per annum, if taxable and not exceeding seven per centum (7%) per annum, if tax-exempt (the estimated millage rate to be levied in the first year of issue is 3.562), for the purpose of constructing, acquiring, and/or improving the streets, highways, bridges, and drainage systems and appurtenances thereto and acquiring the necessary land or rights therein, equipment and furnishings therefore, which bonds will be general obligations of the City and will be payable from ad valorem taxes to be levied and collected in the manner provided by Article VI, Section 33 of the Constitution of the State of Louisiana of 1974 and statutory authority supplemental thereto?

WHEREAS, on April 2, 2011 the City held a special election (the "**Election**") to consider the above proposition which was approved by a majority of the qualified electors voting at such election; and

WHEREAS, subsequent to said Election the Issuer did issue its: \$93,500,000 General Obligation Bonds, Series 2014 (the "**Refunded Bonds**"); and

WHEREAS, in order to provide debt service reductions and savings to the Issuer, the Issuer desires to refund and/or defease some or all of the maturities of the Refunded Bonds pursuant to the provisions of Chapter 39, Section 501, *et seq* , including provisions related to the refunding of bonds under Section 531 thereof (La. R.S. 39:531), as amended and Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended (collectively, the "**Refunding Act**"), and other constitutional and statutory authority through the issuance of refunding bonds; and

WHEREAS, pursuant to the Refunding Act, and subject to the approval of the State Bond Commission, this City Council, acting as the governing authority (the "**Governing Authority**") of the Issuer, desires to accomplish the Refunding through the issuance of not exceeding Sixty-Two Million Five Hundred Thousand Dollars (\$62,500,000) aggregate principal amount of Taxable or Tax-Exempt General Obligation Refunding Bonds, in one or more series (the "**Bonds**") for the purposes of: (i) refunding and/or defeasing of all or certain maturities of the Refunded Bonds, and (ii) paying the costs of issuance of the Bonds (collectively, the "**Refunding**"); and

WHEREAS, the Bonds will be special and limited obligations of the Issuer, secured by and solely from the annual levy and collection of unlimited ad valorem taxes on all the taxable property within the boundaries of the Issuer (the "**Tax**"), sufficient in amount to pay the interest and the principal falling due each year, or such amount as may be required, for any sinking fund necessary to retire the Bonds at maturity. The tax shall be levied and collected by the same officers, at the same time, and in the same manner as the general taxes of the Issuer.

WHEREAS, in connection with the issuance of the Bonds, the Governing Authority of the Issuer desires to authorize the filing of an application with the State Bond Commission requesting that the State Bond Commission approve the issuance and sale of the Bonds in accordance with the Refunding Act.

NOW THEREFORE, BE IT RESOLVED by the Governing Authority of the Issuer, that:

SECTION 1. Preliminary Approval of Bonds. Pursuant to and in accordance with the provisions of the Refunding Act and other constitutional and statutory authority, this Governing Authority does hereby declare its intention to issue in the name of the Issuer the Bonds for the purposes of the Refunding.

The Bonds shall be general obligations of the Issuer, payable from and secured by the Tax in the manner provided by Article VI, Section 33 of the Louisiana Constitution of 1974.

The Bonds will be issued and authorized pursuant to one or more ordinance(s) adopted by this Governing Authority, shall be issued in an amount not to exceed Sixty-Two Million Five Hundred Dollars (\$62,500,000) and shall bear interest at a rate of not to exceed five percent (5%) per annum, maturing no later than September 1, 2034 in the manner provided for by the ordinance(s) adopted at the time the Bonds are issued and the Refunding Act.

SECTION 2. State Bond Commission Application. This Governing Authority hereby authorizes and directs that application be formally made to the State Bond Commission, Baton Rouge, Louisiana for final approval of the issuance of the Bonds by the Issuer within the parameters set forth above.

SECTION 3. State Bond Commission Swap Policy. By virtue of applicant/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 State Bond 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 4. Authorization of Officers. This Governing Authority hereby authorizes and directs its Mayor, Chief Administrative Officer, Director of Finance, Chairman, Vice-Chairman, Clerk and such other officials of the City individually and/or collectively to do any and all things necessary and incidental to carry out the provisions of this resolution.

SECTION 5. Severability. If any provision or item of this resolution or the application thereof is held invalid, such invalidity shall not affect other provisions, items or applications of this resolution which can be given effect without the invalid provisions, items or applications, and to this end, the provisions of this resolution are hereby declared to be severable.

SECTION 6. Repealer. All resolutions in conflict herewith are hereby repealed and supplemented by this resolution.

APPROVED AS TO LEGAL FORM:

City Attorney's Office

