

Memorandum



CITY OF DALLAS

DATE November 3, 2023

TO Honorable Mayor and Members of the City Council

SUBJECT **Bond Sale Results - Senior Lien Special Tax Revenue Bonds (Kay Bailey Hutchison Convention Center Dallas Venue Project), Series 2023; and Senior Lien Special Tax Revenue Bonds (Fair Park Venue Project), Series 2023**

On October 31, 2023, the City sold bonds in a limited offering of the City of Dallas, Texas, Senior Lien Special Tax Revenue Bonds (Kay Bailey Hutchison Convention Center Dallas Venue Project), Series 2023 (the “KBHCCD Bonds”); and the City of Dallas, Texas, Senior Lien Special Tax Revenue Bonds (Fair Park Venue Project), Series 2023 (the “Fair Park Bonds”), (collectively the “Bonds”). In spite of the continuing market volatility, compounded with the complex structuring of the transactions, the KBHCCD Bonds received orders for more than 1.5 times the par amount, with Vanguard as the anchor investor. Final pricing of the KBHCCD Bonds resulted in a par amount of \$170.6 million and bond premium of approximately \$970,714, with a final true interest cost of 7.22 percent. The Fair Park Bonds received orders for almost three times the par amount, with two investors who submitted orders for the entire transaction. Final pricing of the Fair Park Bonds resulted in a par amount of \$43.4 million and bond premium of approximately \$120,107, with a final true interest cost of 7.31 percent.

On June 14, City Council approved a resolution authorizing the issuance of the KBHCCD Bonds in an amount not to exceed \$172,000,000, and the issuance of the Fair Park Bonds in an amount not to exceed \$51,000,000, to finance the projects in accordance with Chapter 334 of Texas Local Government Code (the “Brimer Bill”). Prior to the issuance of the bonds, S&P Global Ratings assigned its ‘A-’ rating to the KBHCCD Bonds and ‘BBB’ rating to the Fair Park Bonds. The outlook for both is stable.

The Bonds are expected to be refunded next year with the highly anticipated issuance of long-term Senior Lien and Subordinate Lien refunding bonds for the KBHCCD and Fair Park.

Please let me know if you need additional information.

A handwritten signature in blue ink that reads "Jack Ireland".

Jack Ireland
Chief Financial Officer

c: T.C. Broadnax, City Manager
Tammy Palomino, City Attorney
Mark Swann, City Auditor
Biliera Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizer Tolbert, Deputy City Manager
Jon Fortune, Deputy City Manager

Majed A. Al-Ghafry, Assistant City Manager
M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager
Dr. Robert Perez, Assistant City Manager
Carl Simpson, Assistant City Manager
Genesis D. Gavino, Chief of Staff to the City Manager
Directors and Assistant Directors