

Homeless Assistance Center General Obligation Bond Sale

Finance, Audit & Accountability

March 27, 2006

Purpose

- The purpose of this briefing is to provide information regarding the sale of \$23.8m in general obligation bonds for the Homeless Assistance Facilities
- Seek approval of the April 12, 2006 resolution authorizing staff to proceed with the preparations for the bond sale

Background

- 2003 Bond Program included a \$3m proposition for site acquisition, design and/or renovation of a Homeless Assistance Facility
 - Bonds were sold in November 2004
- A second proposition was approved by the Dallas voters in November 2005 to authorize the issuance of \$23.8m in general obligation bonds for permanent public improvements for Homeless Assistance Facilities, including single room occupancy facilities

Bond Sale Overview

- Issue par amount \$23,800,000
- Competitive sale with bids taken on May 10th
- Bond issuance costs of \$150,666 will be paid from interest earnings on proceeds (schedule attached)
- Callable bonds

Schedule of Events

- March 27 Finance, Audit & Accountability briefing
- April 12 Council authorization to prepare for bond sale
- May 2 Distribute Official Statements and Notices of Sale to Bidders
- May 3 Receive bond ratings
- May 5 Distribute Preliminary Official Statement and Representation Letters to Council
- May 10 Receive and accept bids for bond sale
- June 8 Deliver Bonds and Receive Proceeds

Recommendation

- Recommend approval of the April 12 Council resolution authorizing staff to proceed with the preparations for the bond sale

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Estimated Issuance Costs – Page 10

City of Dallas

\$23,800,000 General Obligation Bonds, Series 2006

Homeless Shelter Project

Rates as of March 20, 2006

Sources & Uses

Dated 05/01/2006 | Delivered 06/13/2006

Sources Of Funds

Par Amount of Bonds	\$23,800,000.00
Reoffering Premium	195,202.10
Accrued Interest from 05/01/2006 to 06/13/2006	116,612.71

Total Sources **\$24,111,814.81**

Uses Of Funds

Deposit to Project Construction Fund	23,800,000.00
Total Underwriter's Discount (0.550%)	130,900.00
Deposit to Debt Service Fund	116,612.71
Original Issue Discount (OID)	62,400.00
Rounding Amount	1,902.10

Total Uses **\$24,111,814.81**

City of Dallas

\$23,800,000 General Obligation Bonds, Series 2006

Homeless Shelter Project

Rates as of March 20, 2006

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
09/30/2006	-	-	-	-
09/30/2007	1,255,000.00	4.000%	1,263,192.78	2,518,192.78
09/30/2008	1,255,000.00	4.000%	924,237.50	2,179,237.50
09/30/2009	1,255,000.00	4.000%	874,037.50	2,129,037.50
09/30/2010	1,255,000.00	4.000%	823,837.50	2,078,837.50
09/30/2011	1,255,000.00	4.000%	773,637.50	2,028,637.50
09/30/2012	1,255,000.00	4.000%	723,437.50	1,978,437.50
09/30/2013	1,255,000.00	4.000%	673,237.50	1,928,237.50
09/30/2014	1,255,000.00	4.250%	621,468.75	1,876,468.75
09/30/2015	1,255,000.00	4.250%	568,131.25	1,823,131.25
09/30/2016	1,255,000.00	4.250%	514,793.75	1,769,793.75
09/30/2017	1,250,000.00	4.250%	461,562.50	1,711,562.50
09/30/2018	1,250,000.00	4.250%	408,437.50	1,658,437.50
09/30/2019	1,250,000.00	4.250%	355,312.50	1,605,312.50
09/30/2020	1,250,000.00	4.350%	301,562.50	1,551,562.50
09/30/2021	1,250,000.00	4.350%	247,187.50	1,497,187.50
09/30/2022	1,250,000.00	4.400%	192,500.00	1,442,500.00
09/30/2023	1,250,000.00	4.400%	137,500.00	1,387,500.00
09/30/2024	1,250,000.00	4.400%	82,500.00	1,332,500.00
09/30/2025	1,250,000.00	4.400%	27,500.00	1,277,500.00
Total	\$23,800,000.00	-	\$9,974,074.03	\$33,774,074.03

Yield Statistics

Accrued Interest from 05/01/2006 to 06/13/2006	116,612.71
Bond Year Dollars	\$232,750.56
Average Life	9.779 Years
Average Coupon	4.2853062%
Net Interest Cost (NIC)	4.2844890%
True Interest Cost (TIC)	4.2703466%
Bond Yield for Arbitrage Purposes	4.1974478%
All Inclusive Cost (AIC)	4.2709167%

IRS Form 8038

Net Interest Cost	4.2246704%
Weighted Average Maturity	9.618 Years

\$23,800,000
Homeless Assistance Center
General Obligation Bonds, Series 2006

Estimate of Total Bond Issuance Costs and M/WBE Participation

Co-Bond Counsel

Vinson and Elkins L.L.P. (Vendor #341246)	\$ 35,000	23.2%
West & Gooden - BMMB28865Y1006 (Vendor #330805)	11,666	7.7%

Co-Financial Advisors

First Southwest Company (Vendor #193056)	24,000	15.9%
Estrada Hinojosa - HMMB291173Y1106 (Vendor #259910)	16,000	10.6%

Debt Analysis/Structuring Fees

First Southwest Company (Vendor #193056)	12,000	8.0%
Estrada Hinojosa - HMMB291173Y1106 (Vendor #259910)	3,000	2.0%

Out-of-Pocket Expenses

First Southwest Company (Vendor #193056)	5,000	3.3%
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Official Statement Typing

First Southwest Company (Vendor #193056)	1,500	1.0%
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Official Statement Printing

Munoz Printing Co. - HMMB27269N0506 (Vendor #129044)	8,000	5.3%
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Rating Agencies

Moody's Investors Service (Vendor #951236)	7,500	5.0%
Standard & Poor's (Vendor #954974)	12,500	8.3%

Auditor

KPMG L.L.P. (Vendor #092122)	5,000	3.3%
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Filing Fee

Attorney General (Vendor #344989)	9,500	6.3%
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Total Issuance Costs

\$ 150,666	100.0%
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Total M/WBE Participation as % of Total Issuance Costs: 25.7%