



CITY COUNCIL AGENDA ITEM BRIEFING SHEET

Council Date: April 14, 2025	Department: Admin	Presented By: Bryan Grimes
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AGENDA ITEM: Consider all matters incident and related to the issuance and sale of “City of Willow Park, Texas, Tax Note, Series 2025, including the adoption of an ordinance authorizing the issuance of such tax note.

BACKGROUND:

Council had been briefed previously on a financial instrument known as a Tax Note. Such an instrument funds projects similar to GO or CO bonds. As Council has been advised, Tax Notes do not have any recall provisions, nor advertisement requirements. However, the maximum maturity of a Tax Note cannot exceed seven years.

City Financial Advisor Erick Macha, with Hilltop Securities, has prepared various Repayment Schedules for an issuance of \$1,500,000 (\$1,560,000 PAR) that would result in construction funding for various street improvement projects and park system improvements.

The streets selected for this project are “shovel ready” and requires very little engineering or drainage design. Pending approval of and the Interlocal Agreement and the accompanying Addendum with Parker County, work would begin depending on the scheduling from Parker County Pct #4 and weather conditions.

Please Note: The low bidder, and recommendation from staff and Erick Macha, is to accept the bid from JP Morgan. The interest rate is 3.85% with a callable feature—meaning we can call the note at a future date prior to maturity. However, that rate will not be finalized until Monday, April 21 at noon. Given the markets are closed for Good Friday, and the short window on Monday, we feel confident that the rate will remain unchanged. As a failsafe, the next lowest bid is at 3.9% so we comfortable that we will have a very good rate for this project. However, the Ordinance that will be included in the Packet will be unfinished, with the rate left blank. **It is important to note that the Ordinance you will vote on Tuesday night will be completed in its entirety.**

Upon passage by Council, the proceeds of the Tax Notes could be received by June.

Suggested Motion: I move to adopt the ordinance authorizing the issuance and sale of “City of Willow Park, Texas, Tax Note, Series 2025” and resolving other matters incident and relating to issuance and sale of such tax note.

STAFF/BOARD/COMMISSION RECOMMENDATION:

EXHIBITS:

Street Recommendations and pricing
Summary of Financing, Series 2025
Tax Note, Series 2025 (Near Final)
Bid Summary of Financing, Series 2025
2025 Tax Note Ordinance (DRAFT)