

City of San Antonio



AGENDA

City Council A Session

Municipal Plaza Building
114 W. Commerce Street
San Antonio, Texas 78205

Thursday, June 12, 2025

9:00 AM

Municipal Plaza Building

The City Council will hold its regular meeting in the Norma S. Rodriguez Council Chamber in the Municipal Plaza Building located at 114 W. Commerce Street beginning at the above referenced date and time for the following items. Once convened, the City Council will take up the following items in any order during the meeting but no sooner than the designated times.

9:00 AM: Call to Order

Members of the public can comment on items on the agenda. To sign up to speak visit www.saspeakup.com. Click on meetings and events and select the meeting you'd like to participate in. Sign up to speak or submit a written comment. **NOTE: Speaker registration closes 15 minutes before the start of the meeting.** Questions relating to these rules may be directed to the Office of the City Clerk at (210) 207-7253.

Individuals signing up for public comment may register for VIA bus fare or parking validation at www.saspeakup.com. VIA bus fare or parking at City Tower Garage (located at 100 Blk N. Main) will be provided to individuals who request the assistance. Staff will provide VIA bus fare passes and parking validation tickets in the lobby of City Council Chambers.

To view the Live meeting please view our [Live Stream](#)

During the meeting, the City Council may meet in executive session for consultation with the City Attorney's Office concerning attorney-client matters under Chapter 551 of the Texas Government Code.

ACCESS STATEMENT

The City of San Antonio ensures meaningful access to City meetings, programs and services by reasonably providing: translation and interpretation, materials in alternate formats, and other accommodations upon request. To request these services call (210) 207-2098 or Relay Texas 711 or by requesting these services online at <https://www.sanantonio.gov/DEI/Language-Services>. Providing at least 72 hours' notice will help to ensure availability.

Intérpretes en español estarán disponibles durante la junta del consejo de la ciudad para los asistentes que lo requieran. También se proveerán intérpretes para los ciudadanos que deseen exponer su punto de vista al consejo de la ciudad. Para más información, llame al (210) 207-7253.

For additional information on any item on this agenda, please visit www.sanantonio.gov or call (210) 207-7080.

- 30.** An Ordinance authorizing and approving publication and posting of a Notice of Intention to issue City of San Antonio, Texas Combination Tax and Revenue Certificates of Obligation in a maximum aggregate principal amount not to exceed \$140,000,000; and providing for an effective date. [Ben Gorzell, Chief of Financial and Administrative Services Officer, Troy Elliott, Chief Financial Officer]

THE CITY COUNCIL MAY RECESS FOR LUNCH AND RECONVENE TO CONSIDER ANY UNFINISHED COUNCIL BUSINESS

6:00 P.M. – If the Council has not yet adjourned, the presiding officer shall entertain a motion to continue the council meeting, postpone the remaining items to the next council meeting date, or recess and reconvene the meeting at a specified time on the following day.



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 29

Agenda Date: June 12, 2025

In Control: City Council A Session

DEPARTMENT: Finance Department

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Approving Publication of a Notice of Intention to Issue Certificates of Obligation

SUMMARY:

This Ordinance authorizes and approves publication and posting of a Notice of Intention to issue City of San Antonio, Texas Combination Tax and Revenue Certificates of Obligation in a maximum aggregate principal amount not to exceed \$140,000,000; and provides for an effective date.

BACKGROUND INFORMATION:

The Notice of Intention to issue Combination Tax and Revenue Certificates of Obligation in one or more series (the "Certificates") includes projects in the FY 2025 Adopted Capital Budget, adjustments made after budget approval, as well as additional capacity and flexibility to address capital projects as needed. This is a request to approve publication of a Notice of Intention to issue Certificates and does not obligate the City to proceed with any such issuance or to undertake the capital projects listed in Exhibit I (which action items will be presented to the City Council at a future date). The exhibit includes capital projects to be funded with "Self-Supporting Certificates of Obligation". Self-Supporting Certificates of Obligation have a property tax pledge for bond holders allowing the City to lower the cost of borrowing, however, the City intends to use other

revenue sources to pay the debt service such as revenues from a tax increment reinvestment zone.

Texas law requires that the Notice of Intention to issue Certificates be published twice in a local newspaper of general circulation in the City, with the first date of publication being at least 47 days prior to the City's adoption of the ordinance authorizing the issuance of the Certificates and posted on the City's website continuously for at least 45 days prior to the City's adoption of the Ordinance authorizing the issuance of the Certificates. The total project amount to be funded is approximately \$134 million, while the Notice of Intention reflects a maximum aggregate principal amount of Certificates not to exceed \$140 million. The differential is attributable to market conditions and the issuance of the Certificates at a premium to fund costs of issuance. The final issuance amount will be determined at the time of the sale.

The Certificates will be used for the purpose of providing funds for the payment of contractual obligations to be incurred for making public improvements including but not limited to the following: streets, parks and recreation, public safety, information technology, municipal facilities, tax increment reinvestment zones funded projects and for other public purposes.

It is anticipated that parameter sale authorization for the sale of the Certificates will be presented to City Council for approval on August 7, 2025, and the Certificates will be sold the week of August 11, 2025, with closing and delivery anticipated to occur on August 28, 2025.

ISSUE:

The aforementioned transaction will fund capital projects that have been approved in the FY 2025 Adopted Capital Budget and as well as other items to be approved by City Council which are included in the proposed sale and are consistent with the Debt Management Plan. This is a request to approve publication of Notice of Intention to Issue Certificates and does not obligate the City to proceed with any such issuance or to undertake the capital projects listed in Exhibit I.

ALTERNATIVES:

The cost of the improvements to be financed could be absorbed into the City's operating budget. However, this alternative is not budgeted and would negatively impact funding for other services and improvements.

FISCAL IMPACT:

This Ordinance authorizes and approves publication and posting of a Notice of Intention to issue City of San Antonio, Texas Combination Tax and Revenue Certificates of Obligation in a maximum aggregate principal amount not to exceed \$140,000,000; and provides for an effective date.

Any costs pertaining to the proposed transactions will be paid for from the proceeds derived from

the issuance and sale of such obligations. Therefore, there is no impact on the City's Operating Budget.

RECOMMENDATION:

Staff recommends approval of this Ordinance approving the publication of a Notice of Intention to issue Certificates for the capital projects listed in Exhibit I.

Exhibit I

Projects to be Funded by Certificates of Obligation

Tax-Exempt and Taxable Certificates of Obligation

Detail - Program

Fire:			
Fire Station 37	Sewage Line Improvements for Fire Station 37	\$	500,000
Police:			
Underground Fuel Tank Northwest	Replaces the underground fuel storage tanks at Northwest Police Substation	200,000	
Tactics & Firearms Building	Construction of a large multi-function structure for police/tactical training	2,056,500	
Training Academy - Driving Track Improvements	Repairs and improvements for the Police Academy driving track	1,775,000	
Training Academy - Parking Expansion	Expand existing parking area at the training academy	300,000	4,331,500
Streets:			
Street Maintenance Program	Funding for the Annual Street Maintenance Program	36,380,000	
Harry Wurzbach Highway	Street improvements from Austin Hwy to Fort Sam Houston Gate	325,000	
Watson Road	Street improvements from South Terminus to Palo Alto Road	325,000	37,030,000
Municipal Facilities:			
Animal Care Facility Improvements	Improve and expansion of veterinarian facilities	819,096	
Animal Care Stray Animal Kennels	Design of a new animal kennel complex	832,000	
Father Roman Community Center	Demolition and design of an approximate 10,000 square foot building which may include a full court gymnasium, game room, classrooms, and staff offices	2,000,000	
Westside Service Center	Design a new building at West Side Service Center	375,000	
Council District Improvements		5,000,000	9,026,096
Parks and Recreation:			
Playground Shade Structures	Shade improvements at parks		972,731
Information Technology:			
Financial System Upgrade	Provide funding for the upgrade of the City's financial system		13,000,000
Capital Project Contingency:			
	Funding for Street Projects		14,000,000
<u>TOTAL CERTIFICATES OF OBLIGATION</u>		\$	<u>78,860,327</u>

Self Supporting Tax-Exempt and Taxable Certificates of Obligation

Detail - Program

Midtown TIRZ:			
Pearl (City Improvements)	Infrastructure and public improvements	6,810,000	
Brackenridge Park Conservancy	Nature Playscape and Wayfinding	5,000,000	11,810,000
Solar Program:			
	Funding for energy efficiency and park canopy throughout the City		13,461,593
Edwards Aquifer Program:			
	Land Acquisition related to the Edwards Aquifer Program		30,000,000
<u>TOTAL SELF-SUPPORTING CERTIFICATES OF OBLIGATION</u>		\$	<u>55,271,593</u>
<u>TOTAL 2025 CERTIFICATES OF OBLIGATIONS</u>		\$	<u>134,131,920</u>

ORDINANCE NO. _____

AUTHORIZING AND APPROVING PUBLICATION AND POSTING OF NOTICE OF INTENTION TO ISSUE CITY OF SAN ANTONIO, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION IN A MAXIMUM AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$140,000,000 AND PROVIDING AN EFFECTIVE DATE

* * * * *

WHEREAS, the City Council (the *Governing Body*) of the City of San Antonio, Texas (the *City*) has determined that it is advisable and necessary to issue and sell one or more series of certificates of obligation (the *Certificates*), the interest on which may or may not be included in the gross income of the holders thereof for purposes of federal income taxation, in an aggregate amount not to exceed \$140,000,000 as provided pursuant to the provisions of the Certificate of Obligation Act of 1971, as amended, Texas Local Government Code, Section 271.041 through 271.064, for the purpose of paying contractual obligations of the City to be incurred for making permanent public improvements and for other public purposes, to-wit: (1) designing, acquiring, constructing, renovating, improving, and equipping various City streets, drainage, and sidewalk improvements, including necessary capital maintenance, utilities relocation, landscaping, wayfinding, and monumentation necessary or incidental thereto, (2) designing, acquiring, constructing, renovating, replacing, installing, equipping, and upgrading City-owned facilities, including design, construction, renovation, and improvement of public safety facilities (police substations and training academies), fire, and emergency response, solid waste disposal facilities, animal shelter facilities, and City parks and recreation facilities that are generally accessible to the public and are a part of the City’s park system, (3) rehabilitating, expanding, reconstructing, and maintaining existing community civic centers (including the Father Roman Community Center and the Westside Service Center) owned and operated by the City or an entity created to act on behalf of the City, (4) acquisition and installation of software and hardware, communications systems, information technology and related equipment necessary to support City operations (including financial management), (5) improving, expanding, constructing, and acquiring improvements to City-owned utility systems, including water, wastewater, drainage, electric, and gas, (6) purchasing real property, materials, supplies, equipment, information technology, machinery, landscaping, land, and rights of way for authorized needs and purposes related to the aforementioned capital improvements, and (7) the payment of professional services related to the construction, project management, and financing of the aforementioned projects; and

WHEREAS, prior to the issuance of the Certificates, the Governing Body is required to publish notice of its intention to issue the Certificates in a newspaper of general circulation and, if the City maintains an Internet website, post such notice of intention on the City’s Internet website, such notice stating: (i) the time and place the City Council tentatively proposes to pass the ordinance authorizing the issuance of the Certificates; (ii) the purposes for which the Certificates are to be issued; (iii) the manner in which the City Council proposes to pay the Certificates; (iv) the then-current principal amount of all outstanding ad valorem debt obligations

of the City; (v) the then-current combined principal and interest required to pay all outstanding ad valorem debt obligations of the City on time and in full, which may be based on the City's expectations relative to the interest due on any variable rate ad valorem debt obligations; (vi) the maximum principal amount of the Certificates to be authorized; (vii) the estimated interest rate for the Certificates to be authorized or that the maximum interest rate for the Certificates may not exceed the maximum legal interest rate; and (viii) the maximum maturity date of the Certificates to be authorized; and

WHEREAS, the Governing Body hereby finds and determines that such documents pertaining to the sale of the Certificates should be approved, and the City should proceed with the giving of notice of intention to issue the Certificates in the time, form, and manner provided by law; and

WHEREAS, the Governing Body hereby finds and determines that the adoption of this Ordinance is in the best interests of the residents of the City; **NOW, THEREFORE**,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO, TEXAS:

SECTION 1. The City Clerk is hereby authorized to cause to be published notice of the Governing Body's intention to issue the Certificates in one or more series (the interest on which may or may not be included in the gross income of the holders thereof for purposes of federal income taxation) and in aggregate amount not to exceed \$140,000,000 for the purpose of paying contractual obligations of the City to be incurred for making permanent public improvements and for other public purposes, to-wit: (1) designing, acquiring, constructing, renovating, improving, and equipping various City streets, drainage, and sidewalk improvements, including necessary capital maintenance, utilities relocation, landscaping, wayfinding, and monumentation necessary or incidental thereto, (2) designing, acquiring, constructing, renovating, replacing, installing, equipping, and upgrading City-owned facilities, including design, construction, renovation, and improvement of public safety facilities (police substations and training academies), fire, and emergency response, solid waste disposal facilities, animal shelter facilities, and City parks and recreation facilities that are generally accessible to the public and are a part of the City's park system, (3) rehabilitating, expanding, reconstructing, and maintaining existing community centers City-owned community civic centers (including the Father Roman Community Center and the Westside Service Center) owned and operated by the City or an entity created to act on behalf of the City, (4) acquisition and installation of software and hardware, communications systems, information technology and related equipment necessary to support City operations (including and financial management), (5) improving, expanding, constructing, and acquiring improvements to City-owned utility systems, including water, wastewater, drainage, electric, and gas, (6) purchasing real property, materials, supplies, equipment, information technology, machinery, landscaping, land, and rights of way for authorized needs and purposes related to the aforementioned capital improvements, and (7) the payment of professional services related to the construction, project management, and financing of the aforementioned projects. The Certificates will be payable from the levy of an annual ad valorem tax, within the limitations prescribed by law, upon all taxable property within the City and additionally from a pledge of and lien on certain revenues derived from the operation of the City's municipally owned parks. The notice hereby approved and authorized to be published shall read substantially in the form and content of

Exhibit A attached hereto, which notice is incorporated herein by reference as a part of this Ordinance for all purposes.

SECTION 2. The City Clerk shall cause the notice described in Section 1 to be published in a newspaper of general circulation in the City, once a week for two (2) consecutive weeks, the date of the first publication shall be at least 47 days prior to the date stated therein for passage of the ordinance or ordinances authorizing the issuance of the Certificates. Additionally, the City Clerk shall cause the notice described in Section 1 to be posted continuously on the City's website for at least 45 days prior to the date stated therein for passage of the ordinance or ordinances authorizing the issuance of the Certificates.

SECTION 3. The City Clerk is directed to maintain a copy of this Ordinance in the City's official records in a manner that will allow any member of the general public to review this Ordinance during the normal business hours of the City during the period beginning thirty (30) days after the adoption hereof and ending on the date of issuance of the Certificates.

SECTION 4. All ordinances and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters ordained herein.

SECTION 5. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 6. If any provision of this Ordinance or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Ordinance and the application of such provision to other persons and circumstances shall nevertheless be valid, and the City Council hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 7. It is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by Chapter 551, as amended, Texas Government Code.

SECTION 8. The City Council hereby finds that the statements set forth in the recitals of this Ordinance are true and correct, and the City Council hereby incorporates such recitals as a part of this Ordinance.

SECTION 9. The effective date of this Ordinance is governed by the provisions of Section 1-15 of the City Code of San Antonio, Texas and this Ordinance is effective immediately upon its passage by eight (8) affirmative votes, and it is so enacted.

* * *

PASSED AND ADOPTED by an affirmative vote of ___ members of the City Council of the City of San Antonio, Texas, this the 12th day of June, 2025

M A Y O R
Ron Nirenberg

ATTEST:

Debbie Racca-Sittre, City Clerk

I, the undersigned, City Attorney of the City of San Antonio, Texas, hereby certify that I read, passed upon, and approved as to form the foregoing Ordinance prior to its adoption and passage as aforesaid.

City Attorney
City of San Antonio, Texas

[The remainder of this page intentionally left blank.]

EXHIBIT A

CITY OF SAN ANTONIO, TEXAS NOTICE OF INTENTION TO ISSUE COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION

NOTICE IS HEREBY GIVEN that the City Council of the City of San Antonio, Texas will convene at its regular meeting place in the Municipal Plaza Building in San Antonio, Texas at 9:00 o'clock A.M., San Antonio, Texas time, on August 7, 2025 (in the event the City Council will be unable to meet at the Municipal Plaza Building, the City will post information on its website for attending the meeting by telephone, teleconference, or other electronic means as well as any additional information regarding the meeting should the time, date, or location change), and during such meeting, the City Council will consider the passage of an ordinance or ordinances and take such actions as may be deemed necessary to authorize the issuance of one or more series of certificates of obligation (the interest on which may or may not be included in the gross income of the holders thereof for purposes of federal income taxation) in an aggregate principal amount not to exceed \$_____ for the purpose or purposes of paying contractual obligations of the City to be incurred for making permanent public improvements and for other public purposes, to wit: (1) designing, acquiring, constructing, renovating, improving, and equipping various City streets, drainage, and sidewalk improvements, including necessary capital maintenance, utilities relocation, landscaping, wayfinding, and monumentation necessary or incidental thereto, (2) designing, acquiring, constructing, renovating, replacing, installing, equipping, and upgrading City-owned facilities, including design, construction, renovation, and improvement of public safety facilities (police sub stations and training academies), fire, and emergency response, solid waste disposal facilities, animal shelter facilities, and City parks and recreation facilities that are generally accessible to the public and are a part of the City's park system, (3) rehabilitating, expanding, reconstructing, and maintaining existing community centers City-owned community civic centers (including the Father Roman Community Center and the Westside Service Center) owned and operated by the City or an entity created to act on behalf of the City, (4) acquisition and installation of software and hardware, communications systems, information technology and related equipment necessary to support City operations (including financial management), (5) improving, expanding, constructing, and acquiring improvements to City-owned utility systems, including water, wastewater, drainage, electric, and gas, (6) purchasing real property, materials, supplies, equipment, information technology, machinery, landscaping, land, and rights of way for authorized needs and purposes related to the aforementioned capital improvements, and (7) the payment of professional services related to the construction, project management, and financing of the aforementioned projects (collectively, the "Projects"), and for paying all or a portion of the legal, financial and engineering fees in connection with the Projects and the costs of issuance related to such hereinafter defined Certificates. Each series of certificates (together, the "Certificates") will be payable from the levy of an annual ad valorem tax, within the limitations prescribed by law, upon all taxable property within the City and, additionally, from a pledge of and lien on certain revenues derived from the operation of the City's municipally owned parks. In accordance with Section 271.049, as amended, Texas Local Government Code, (i) the current principal amount of all of the City's outstanding public securities secured by and payable from ad valorem taxes is \$_____ ; (ii) the current combined principal and interest required to pay all of the City's outstanding public securities secured by and payable from ad valorem taxes on time and in full is \$_____ ; (iii) the estimated combined principal and interest required

to pay the Certificates to be authorized on time and in full is _____; (iv) the maximum interest rate for the Certificates may not exceed the maximum legal interest rate; and (v) the maximum maturity date of the Certificates to be authorized is February 1, 20___. The Certificates are to be issued, and this notice is given, under and pursuant to the provisions of the Certificate of Obligation Act of 1971, as amended, Texas Local Government Code Section 271.041 through Section 271.064, and Chapters 1502 and 1371, each as amended, Texas Government Code, and the City's Home Rule Charter.

/s/ Debbie Racca-Sittre
City Clerk
City of San Antonio, Texas