



Chicago Park District

Legislation Details (With Text)

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|-----------------------|---|----------------------|--|
| File #: | 24-1047-0313 | Name: | Issuance of NTE \$160,000,000 GO Limited Tax Park Bonds 2024 |
| Type: | Action Item | Status: | Passed |
| File created: | 2/19/2024 | In control: | Board of Commissioners |
| On agenda: | 3/13/2024 | Final action: | 3/13/2024 |
| Title: | ORDINANCE PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$160,000,000 GENERAL OBLIGATION LIMITED TAX PARK BONDS OF 2024 IN ONE OR MORE SERIES | | |
| Sponsors: | Chief Financial Officer, Treasurer | | |
| Indexes: | Bond | | |
| Code sections: | | | |
| Attachments: | 1. Published in Pamphlet Form_Authorizing Ordinance | | |

| Date | Ver. | Action By | Action | Result |
|-----------|------|------------------------|----------|--------|
| 3/13/2024 | 1 | Board of Commissioners | approved | Pass |

ORDINANCE PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$160,000,000 GENERAL OBLIGATION LIMITED TAX PARK BONDS OF 2024 IN ONE OR MORE SERIES

To: The Honorable Board of Commissioners of the Chicago Park District

I. Recommendation

It is recommended that the Board of Commissioners (the “**Board**”) of the Chicago Park District (the “**District**”) adopt an ordinance to authorize and provide for the issuance and delivery of bonds in an aggregate amount not to exceed \$160,000,000 General Obligation Limited Tax Park Bonds in one or more series collectively, the “**Series 2024 Limited Tax Bonds**”). The Series 2024 Limited Tax Bonds consist of the following series: (i) \$26,000,000 of **General Obligation Limited Tax Park Bonds, Series 2024A (the “Series 2024A Capital Project Bonds”)** to finance the cost of payment of land condemned or purchased for parks, and for building, maintaining and improving parks and (ii) \$134,000,000 of **General Obligation Limited Tax Refunding Bonds, Series 2024B (the “Series 2024B Refunding Bonds”)** for the purpose of refunding District’s outstanding General Obligation Limited Tax Refunding Bonds, Taxable Series of 2021A by means of a Tender Offer and bondholders’ acceptance of such offer (together, the “**Tender**”). The ordinance also authorizes the execution of one or more bond orders prescribing the details of the Series 2024 Limited Tax Bonds, including the designation of the series of the Series 2024 Limited Tax Bonds, the execution of one or more bond purchase agreements with the underwriters identified below, the execution of a Continuing Disclosure Undertaking to effect compliance with Rule 15c2-12 of the Securities and Exchange Commission, the payment of capitalized interest and costs of issuance on the Series 2024 Limited Tax Bonds, and the collection of direct annual taxes for the payment of the principal of, premium, if any, and interest on the Series 2024 Limited Tax Bonds. The General Superintendent and other officers of the District are authorized to do, or cause to be done, all things necessary to accomplish the issuance of the Series 2024 Limited Tax Bonds.

II. Transaction Team

Bond Counsel: **Chapman and Cutler LLP**
320 South Canal Street
Chicago, Illinois 60606

Underwriters’ Counsel: **Katten Muchin Rosenman LLP**

525 West Monroe Street
Chicago, IL 60661
*Underwriters' Counsel is chosen directly by the Underwriters

Issuer's Counsel: **Hardwick Law Firm, LLC**
77 West Washington Street
Suite 1704
Chicago, Illinois 60602

Disclosure Counsel: **Charity & Associates, P.C.**
20 North Clark Street
Suite 3300
Chicago, Illinois 60602

Underwriters: **Jefferies LLC**
155 North Wacker Drive
Suite 4200
Chicago, Illinois 60606

Cabrera Capital Markets, LLC
227 West Monroe Street
Suite 3000
Chicago, Illinois 60606

Backstrom McCarley Berry & Co., LLC
203 South LaSalle Street
Suite 2100
Chicago, Illinois 60601

Financial Advisor: **Acacia Financial Group**
221 North LaSalle Street
Suite 1500
Chicago, Illinois 60601

**Independent Registered
Municipal Advisor (IRMA):** **Columbia Capital Management, LLC**
150 South Wacker Drive
24th Floor
Chicago, Illinois 60606

**Bond Registrar/Paying Agent/
Depository:** **Amalgamated Bank of Chicago**
30 North LaSalle Street
Chicago, Illinois 60602

**Bond Registrar for Taxable Series 2021A
/Escrow Agent (for the Tender):** **Zions Bancorporation, National Association**
111 West Washington Street
Suite 1860

Chicago, Illinois 60602

Printer:

ImageMaster, LLC
1182 Oak Valley Drive
Ann Arbor, MI 48108

III. Budget and Financial Information

A. Use of Proceeds

Budget Classification: Capital Funds

Fiscal Year(s): 2023 and 2024 Capital Improvement Plans
(To fund the remainder of the 2023 CIP of approximately \$14.41 million and fund a portion of the 2024 CIP in the amount of \$10.0 million).

Source of Funds: Bond Project Proceeds

B. Repayment Information

Budget Classification: Operating Funds

Fiscal Year(s): 2025-2047 (22 years)

Source of Funds: Debt Service Expense-Property Tax Levy

C. Refunding Information

Depending on the outcome of the Tender of the District's outstanding General Obligation Limited Tax Refunding Bonds, Taxable Series of 2021A, the District could potentially achieve \$2 million in debt service savings.

IV.

Explanation

The Series 2024 Limited Tax Bonds will be sold through a negotiated sale with the underwriters and are expected to be issued on a tax-exempt basis. The fixed interest rate on the Series 2024 Limited Tax Bonds shall not exceed 6.00% and the maximum maturity date shall not be later than January 1, 2047, for the Series 2024A Capital Project Bonds and the maximum maturity date for the Series 2024B Refunding Bonds shall be no later than January 1, 2041. The proposed ordinance authorizes the following:

General Obligation Limited Tax Park Bonds, Series 2024A: (i) issue not to exceed \$26,000,000 of the Series 2024A Capital Project Bonds to finance a portion of the cost of payment of land condemned or purchased for parks, and for building, maintaining and improving parks; (ii) execute a bond order prescribing the details of the Series 2024A Capital Project Bonds; (iii) pay capitalized interest and costs of issuance; and (iv) provide for levy and collection of taxes to pay interest on premium if any, and principal of the Series 2024A Capital Project Bonds.

General Obligation Limited Tax Refunding Bonds, Series 2024B: (i) issue not to exceed \$134,000,000 of the Series 2024B Refunding Bonds to refund the District's outstanding General Obligation Limited Tax Refunding Bonds, Taxable Series of 2021A by means of a Tender; (ii) execute a bond order prescribing the details of the Series 2023C Refunding Bonds, (iii) pay costs of issuance; and (iv) provide for levy and collection of taxes to pay interest on premium if any, and principal of the Series 2024B Refunding Bonds.

V. General Conditions

1. *Conflicts:* No agreement authorized herein shall be legally binding on the Chicago Park District if entered into in violation of the provisions of the Public Officer Prohibited Activities Act, 50 ILCS 105/0.01 *et seq.*

2. *Ethics:* The Chicago Park District's Ethics Code, Chapter III of the Code of the Chicago Park District, shall be incorporated into and made part of all agreements authorized herein.

Updated 3/12/2024