



City of Phoenix

DATE: June 8, 2021

TO: Park Central Community Facilities District Board of Directors Members

FROM: Denise M. Olson, Chief Financial Officer ^{DS}
District Treasurer, Park Central Community Facilities District

SUBJECT: JUNE 16, 2021, MEETING OF THE PARK CENTRAL COMMUNITY FACILITIES DISTRICT BOARD OF DIRECTORS

BACKGROUND

At the June 2, 2021, meeting of the Board of Directors (the “District Board”) of the Park Central Community Facilities District, the District Board passed Resolution No. PC-11, which approved (a) the proposed budget for fiscal year 2021-22 (the “District Budget”) and (b) a proposed five-year financial plan for the District (the “Five-Year Forecast”) prepared pursuant to Section 3.11(b) of the District Development, Financing Participation, Waiver and Intergovernmental Agreement executed in connection with the formation and activities of the District (the “Development Agreement”), and called for a public hearing on the proposed budget and forecast to be held on June 16, 2021. A notice of the public hearing has been published in the Arizona Business Gazette and otherwise given as required by the Arizona Revised Statutes. It is now necessary for the District Board to conduct a public hearing on the proposed budget and forecast and to adopt the final District Budget and Five-Year Forecast.

On June 27, 2019, the District issued \$30,000,000 aggregate principal amount of its Special Assessment Revenue Bonds, Taxable Series 2019 (the “Bonds”) pursuant to title 48, Chapter 4, Article 6, Arizona Revised Statutes (the “Act”), Resolution No. PC-04, adopted by the District Board on May 1, 2019 (the “Bond Resolution”) and an Indenture of Trust and Security Agreement, dated as of June 1, 2019 (the “Bond Indenture”) and has levied an assessment upon the Assessed Property (as defined in the Bond Resolution) within the District in an amount necessary to pay debt service on the Bonds as the same becomes due. In connection with the adoption of the District’s annual budget it is necessary to authorize and direct the collection of the Assessment sufficient to pay \$2,251,592.50 of debt service on the Bonds due during fiscal year 2021-22, which collection amount may be reduced to the extent that other monies are in the Debt Service Expense Fund established under the Bond Indenture and available for payment of debt service on a payment date, as provided in the Bond Indenture, the Bond Resolution and the Development Agreement.

AGENDA FOR THE JUNE 16, 2021, MEETING

The next meeting of the District Board is scheduled for Wednesday, June 16, 2021, at 2:30 p.m. immediately preceding the regular meeting of the Phoenix City Council. At this meeting, a public hearing will be held, and the District Board will be asked to consider for adoption Resolution No. PC-12. This resolution will adopt the final District Budget for fiscal year 2021-22 and the final Five-Year Forecast. Attached as Exhibit “A” to Resolution No. PC-12 is the Formal Notice of the hearing on the proposed budget and forecast; attached as Exhibit “B” is the final District Budget for fiscal year 2021-22; and attached as Exhibit “C” is the proposed Five-Year Forecast.

Enclosed are the following materials relating to the next District Board meeting:

1. Meeting notice and agenda
2. Program Script for Public Meeting
3. Proposed Resolution No. PC-12

CONCLUSION/ACTION REQUIRED

District Board approval of Resolution No. PC-12 is requested.

Copies of this report and enclosures to:

Ed Zuercher, City Manager
Jeff Barton, Assistant City Manager
Ginger Spencer, Deputy City Manager
Toni Maccarone, Special Assistant to the City Manager
Cris Meyer, City Attorney
Denise Archibald, City Clerk
Christine Mackay, Community and Economic Development Director
Thomas Stack, Asst City Attorney IV
Sina Matthes, Council Chief of Staff
Lisa Fernandez, Chief of Staff
Kathleen Gitkin, Assistant Finance Director-City Treasurer
Adam Miller, Planning and Development Team Leader
Jeff Stapleton, Economic Development Program Manager
Tim Pickrell, Squire Patton Boggs (US) LLP

**NOTICE OF PUBLIC MEETING
PARK CENTRAL COMMUNITY FACILITIES DISTRICT
BOARD OF DIRECTORS**

Pursuant to A.R.S. Section 38-431.02, notice is hereby given to the members of the **PARK CENTRAL COMMUNITY FACILITIES DISTRICT BOARD OF DIRECTORS** and to the general public, that the **PARK CENTRAL COMMUNITY FACILITIES DISTRICT BOARD OF DIRECTORS** will hold a meeting open to the public on **Wednesday, June 16, 2021, at 2:30 p.m.** located in the Council Chambers, 200 West Jefferson Street, Phoenix, Arizona.

OPTIONS TO ACCESS THE MEETING

Request to speak at a meeting:

- **Register online** by visiting the City Council Meetings page on phoenix.gov **at least 1 hour prior to the start of this meeting**. Then, click on this link at the time of the meeting and join the Webex to speak:
<https://phoenixcitycouncil.webex.com/phoenixcitycouncil/onstage/g.php?MTID=ec1d9f2c5936a5a7e5244e42410d33e23>

- **Register via telephone** at 602-262-6001 **at least 1 hour prior to the start of this meeting**, noting the item number. Then, use the Call-in phone number and Meeting ID listed below at the time of the meeting to call-in and speak.

At the time of the meeting:

- **Watch** the meeting live streamed on phoenix.gov or Phoenix Channel 11 on Cox Cable, or using the Webex link provided above.

- **Call-in** to listen to the meeting. Dial 602-666-0783 and Enter Meeting ID 182 794 1701# (for English) or 182 277 7837# (for Spanish). Press # again when prompted for attendee ID.

Para nuestros residentes de habla hispana:

- **Para registrarse para hablar en español**, llame al 602-262-6001 **al menos 1 hora antes del inicio de esta reunión** e indique el número del tema. El día de la reunión, llame al 602-666-0783 e ingrese el número de identificación de la reunión 182 277 7837#. El intérprete le indicará cuando sea su turno de hablar.

- **Para solamente escuchar la reunión en español**, llame a este mismo número el día de la reunión (602-666-0783; ingrese el número de identificación de la reunión 182 277 7837#). Se proporciona interpretación simultánea para nuestros residentes durante todas las reuniones.

The agenda for the meeting is as follows:

1.	Call to order.
2.	Roll call.
3.	Public hearing on the proposed District Budget for fiscal year 2021-22 and the proposed five-year financial plan for the District.

4.	Consideration and vote on adoption of Resolution PC-12 which adopts and approves the final District Budget for fiscal year 2021-22 and the final five-year financial plan for the District (Roll call vote).
5.	Adjournment.

For further information, please call Tim McBride, Finance Department, at 602-495-7835.

For reasonable accommodations, call Becky Kivioja at Voice/602-262-7166 or TTY/602-534-5500 as early as possible to coordinate needed arrangements.

June 8, 2021

PROGRAM SCRIPT FOR PUBLIC MEETING OF
PARK CENTRAL COMMUNITY FACILITIES DISTRICT
BOARD OF DIRECTORS
June 16, 2021

1. Call to Order

“This is the time for a meeting of the Board of Directors of the Park Central Community Facilities District.”

2. Roll Call

“Will the Clerk please call the roll.”

3. Public Hearing on the Proposed Budget for Fiscal Year 2021-22 and Proposed Five-Year Financial Plan

“Now is the time and place set for the public hearing on the District’s proposed budget for fiscal year 2021-22 and the proposed five-year financial plan for the District.”

“Is there anyone present who wishes to comment on the proposed budget or the proposed financial plan?”

[If no comments are received] -- The public hearing is now concluded.”

4. Consideration for Adoption of Resolution No. PC-12

“Is there a motion to adopt Resolution No. PC-12 approving the final District Budget for the fiscal year 2021-22 and the final five-year financial plan for the District?” (This will be a roll call vote.)

5. (Adjournment)

“This meeting is now adjourned.”

PARK CENTRAL COMMUNITY FACILITIES DISTRICT

RESOLUTION NO. PC-12

A RESOLUTION OF THE BOARD OF DIRECTORS OF PARK CENTRAL COMMUNITY FACILITIES DISTRICT ADOPTING THE DISTRICT BUDGET FOR FISCAL YEAR 2021-22 AND THE FIVE-YEAR FINANCIAL PLAN AS FINALLY APPROVED

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF PARK CENTRAL COMMUNITY FACILITIES DISTRICT as follows:

1. Findings.

a. Pursuant to Section 48-716, Arizona Revised Statutes, as amended, the District Treasurer of the Park Central Community Facilities District, (hereinafter referred to as the "District") has caused to be prepared for the Board of Directors of the District (hereinafter referred to as the "District Board") a proposed budget for the fiscal year 2021-22 (the "District Budget") and has caused the proposed District Budget to be submitted to the District Board for approval. Pursuant to Section 3.11(b) of the District Development, Financing Participation, Waiver and Intergovernmental Agreement executed in connection with the formation and activities of the District (the "Development Agreement"), the District Treasurer has also caused to be prepared for, and submitted to, the District Board a proposed five-year financial plan for the District (the "Five-Year Forecast").

b. On June 27, 2019, the District issued \$30,000,000 aggregate principal amount of its Special Assessment Revenue Bonds, Taxable Series 2019 (the "Bonds") pursuant to title 48, Chapter 4, Article 6, Arizona Revised Statutes (the "Act"), Resolution No. PC-04, adopted by the District Board on May 1, 2019 (the "Bond Resolution") and an Indenture of Trust and Security Agreement, dated as of June 1, 2019 (the "Bond Indenture") and has levied an Assessment upon the Assessed Property (each as defined in the Bond Resolution) within the District in an amount necessary to pay debt service on the Bonds as the same becomes due. In connection with the adoption of the District's annual budget it is necessary to authorize and direct the collection of the Assessment sufficient to pay \$2,251,592.50 of debt service on the Bonds due during fiscal year 2021-22, which collection amount may be reduced to the extent that other monies are in the Debt Service Expense Fund established under the Bond Indenture and available for payment of debt service on a payment date, as provided in the Bond Indenture, the Bond Resolution and the Development Agreement.

c. On June 2, 2021, pursuant to Resolution No. PC-11 the District Board approved the proposed District Budget and the proposed Five-Year Forecast and authorized a public hearing on the

proposed budget and forecast as required by law. A public hearing on the proposed budget and forecast was held on even date herewith after provision for publication and delivery of notice thereof as provided by law.

2. Ratification of Notice of Hearing on Budget.

Notice of the Public Hearing on the proposed District Budget and proposed Five-Year Forecast provided by the District Manager and attached hereto as Exhibit "A" is hereby ratified and approved in all respects.

3. Adoption of District Budget and Five-Year Forecast.

The District Budget is hereby finally approved and adopted in the form attached hereto as Exhibit "B." The Five-Year Forecast is hereby finally approved and adopted in the form attached as Exhibit "C."

4. Collection of the Assessment.

The collection of the Assessment sufficient to pay \$2,251,592.50 of debt service on the Bonds due during fiscal year 2021-22 is hereby authorized and directed, which collection amount may be reduced to the extent that other monies are in the Debt Service Expense Fund established under the Bond Indenture and available for payment of debt service on a payment date, as provided in the Bond Indenture, the Bond Resolution and the Development Agreement.

5. Effective Date.

This resolution shall be effective immediately.

PASSED by the District Board of Park Central Community Facilities District this 16th day of June, 2021.

Chairperson, District Board of Directors, Park Central
Communities Facilities District

ATTEST:

District Clerk, Park Central
Community Facilities District

ATTACHMENTS:

Exhibit "A" – Form of Notice of Public Hearing on Budget
Exhibit "B" – Fiscal Year 2021-2022 Budget
Exhibit "C" – Five-Year Forecast

EXHIBIT "A"

NOTICE OF PUBLIC HEARING REQUIRED BY A.R.S.
SECTION 48-716 ON THE DISTRICT BUDGET FOR
FISCAL YEAR 2021-22 AND THE FIVE-YEAR
FINANCIAL PLAN FOR PARK CENTRAL
COMMUNITY FACILITIES DISTRICT

Notice is hereby given that a public hearing pursuant to Section 48-716, Arizona Revised Statutes, as amended, on the budget for fiscal year 2021-22 and the five-year financial plan for Park Central Community Facilities District, will be held by the District Board on June 16, 2021, at 2:30 p.m. (Phoenix, Arizona time), immediately preceding the regular meeting of the Phoenix City Council on the same date in the Council Chambers located at 200 West Jefferson Street, Phoenix, Arizona. Copies of the proposed budget and financial plan and further information relating hereto are available from the District Manager, c/o Chief Financial Officer, City of Phoenix, Arizona, 251 West Washington Street, 9th Floor, Phoenix, Arizona 85003, telephone number (602) 262-7166.

Dated this 25th day of May, 2021

EXHIBIT "B"
PARK CENTRAL COMMUNITY FACILITIES DISTRICT
FISCAL YEAR 2021-2022 BUDGET

<u>Fiscal Year</u>	<u>2021-22</u>
Revenues	
Contractual Parking Revenue (Easements)	\$ 741,000
Daily & Event Public Parking Revenues	78,700
Assessment Revenues	-
City Contribution Amounts	351,643
Additional Contributions (1)	750,000
Capitalized Interest	-
Interest Earnings on Trusteed Accounts (2)	-
Gross Revenues	<u>1,921,343</u>
Expenses	
Debt Service Payments	2,251,593
Operation & Maintenance Expenses	390,224
District Expenses	82,000
Replacement Revenue Fund	-
Total Expenses	<u>2,723,817</u>
Excess (Deficiency) of Revenues Over Expenses	<u>(802,474)</u>
<u>Excess Funds Long-Term Reserve Fund Balance (3)</u>	
Projected Beginning Balance - 7/1/21	944,523
Share of Excess (Deficiency) Revenue Over Expenses	<u>(802,474)</u>
Projected Ending Balance - 6/30/22	<u>142,049</u>
<u>Replacement Reserve Fund Balance (4)</u>	
Projected Beginning Balance - 7/1/21	-
Share of Excess (Deficiency) Revenue Over Expenses	<u>-</u>
Projected Ending Balance - 6/30/22	<u>-</u>
<u>Debt Service Reserve Fund Balance (5)</u>	
Projected Beginning Balance - 7/1/21	2,251,593
Share of Excess (Deficiency) Revenue Over Expenses	<u>-</u>
Projected Ending Balance - 6/30/22	<u>\$ 2,251,593</u>

Notes and Assumptions

(1) Additional contributions from the close out of the District Construction Fund. Also includes commitment from Hokualoa Capital Management, LLC, on behalf of the Developer, HPPC, LLC, to make advance payments of the Developer Contribution in FY22 and FY23.

(2) Reflects all interest earnings from the following trusteed funds and accounts: Interest and Principal Accounts of the Debt Service Expense Fund, District Expense Fund, Operations & Maintenance Expense Fund, Debt Service Revenue Fund and Excess Funds Long-Term Reserve Fund.

(3) Figures reflect drawdowns to cover annual net revenue short falls, if any.

(4) Does not reflect potential capital expenditures or interest earnings.

(5) Debt Service Reserve funded from bond proceeds, equal to maximum annual debt service.

EXHIBIT "C"
PARK CENTRAL COMMUNITY FACILITIES DISTRICT
FIVE-YEAR FORECAST

<u>Fiscal Year</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
Revenues						
Contractual Parking Revenues (Easements)	\$ 628,300	\$ 741,000	\$ 741,000	\$ 741,000	\$ 741,000	\$ 997,200
Daily Event Public Parking Revenues	5,195	78,700	549,000	549,000	549,000	549,000
Assessment Revenues	-	-	-	-	-	-
City Contribution Amounts	736,809	351,643	1,195,893	2,200,056	1,486,156	482,327
Additional Contributions (1)	1,621,177	750,000	250,000	-	-	-
Capitalized Interest	-	-	-	-	-	-
Interest Earnings on Trusteed Accounts (2)	168	-	-	-	-	-
Gross Revenues	2,991,649	1,921,343	2,735,893	3,490,056	2,776,156	2,028,527
Expenses						
Debt Service Payments	2,250,686	2,251,593	2,251,186	2,249,468	2,251,436	2,251,436
Operation & Maintenance Expenses	245,898	390,224	399,231	411,527	419,690	428,057
District Expenses	68,237	82,000	82,000	82,000	82,000	82,000
Replacement Revenue Fund	-	-	-	-	-	50,000
Total Expenses	2,564,821	2,723,817	2,732,417	2,742,995	2,753,126	2,811,493
Excess (Deficiency) of Revenues Over Expenses	\$ 426,828	\$ (802,474)	\$ 3,476	\$ 747,061	\$ 23,030	\$ (782,966)
Excess Funds Long-Term Reserve Fund Balance (3)						
Projected Beginning Balance - 7/1	517,695	944,523	142,049	145,525	892,587	915,617
Share of Excess (Deficiency) Revenue Over Expenses	426,828	(802,474)	3,476	747,061	23,030	(782,966)
Projected Ending Balance - 6/30	944,523	142,049	145,525	892,587	915,617	132,651
Replacement Reserve Fund Balance (4)						
Projected Beginning Balance - 7/1	-	-	-	-	-	-
Share of Excess (Deficiency) Revenue Over Expenses	-	-	-	-	-	-
Projected Ending Balance - 6/30	-	-	-	-	-	-
Debt Service Reserve Fund Balance (5)						
Projected Beginning Balance - 7/1	2,251,593	2,251,593	2,251,593	2,251,593	2,251,593	2,251,593
Share of Excess (Deficiency) Revenue Over Expenses	-	-	-	-	-	-
Projected Ending Balance - 6/30	\$ 2,251,593	\$ 2,251,593	\$ 2,251,593	\$ 2,251,593	\$ 2,251,593	\$ 2,251,593

Notes and Assumptions

- (1) Additional contributions from the close out of the District Construction Fund. Also includes commitment from Hualoa Capital Management, LLC, on behalf of the Developer, HPPC, LLC, to make advance payments of the Developer Contribution in FY22 and FY23.
- (2) Reflects all interest earnings from the following trusteed funds and accounts: Interest and Principal Accounts of the Debt Service Expense Fund, District Expense Fund, Operations & Maintenance Expense Fund, Debt Service Revenue Fund and Excess Funds Long-Term Reserve Fund.
- (3) Figures reflect drawdowns to cover annual net revenue short falls, if any.
- (4) Does not reflect potential capital expenditures or interest earnings.
- (5) Debt Service Reserve funded from bond proceeds, equal to maximum annual debt service.