



City of Phoenix

DATE: June 11, 2020

TO: Park Central Community Facilities District Board of Directors Members

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

SUBJECT: JUNE 17, 2020 MEETING OF THE PARK CENTRAL COMMUNITY
FACILITIES DISTRICT BOARD OF DIRECTORS

BACKGROUND

At the June 3, 2020 meeting of the Board of Directors (the “District Board”) of the Park Central Community Facilities District, the District Board passed Resolution No. PC-07, which approved (a) the proposed budget for fiscal year 2020-21 (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 17, 2020. 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 \$2,250,686.26 of debt service on the Bonds due during fiscal year 2020-21, 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 17, 2020 MEETING

The next meeting of the District Board is scheduled for Wednesday, June 17, 2020, at 2:30 p.m. immediately preceding the Formal City Council meeting. At this meeting, a public hearing will be held and the District Board will be asked to consider for adoption Resolution No. PC-08. This resolution will adopt the final District Budget for the fiscal year 2020-21 and the final Five-Year Forecast. Attached as Exhibit “A” to Resolution No. PC-08 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 2020-21; and attached as Exhibit “C”) is the final 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-08

CONCLUSION/ACTION REQUIRED

District Board approval of Resolution No. PC-08 is requested.

Copies of this report and enclosures to:

Ed Zuercher, City Manager
Milton Dohoney, Jr., Assistant City Manager
Deanna Jonovich, Assistant 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
Matt Heil, Exec Assistant to City Council
Lisa Fernandez, Chief of Staff
Kathleen Gitkin, Deputy 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 17, 2020 at 2:30 p.m. located in the Council Chambers, 200 West Jefferson Street, Phoenix, Arizona.

OPTIONS TO ACCESS THE MEETING

- **Watch** the meeting live streamed on phoenix.gov or Phoenix Channel 11 on Cox Cable.
- **Call-in** to listen to the meeting. Dial 602-666-0783 and Enter Meeting ID 291 000 322 # (for English) or 290 245 550 # (for Spanish). Press # again when prompted for the attendee ID.
- **Register and speak during a meeting:**
 - **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 above at the time of the meeting to call-in and speak.

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 2020-21 and the proposed five-year financial plan for the District.
4.	Consideration and vote on adoption of Resolution PC-08 which adopts and approves the final District Budget for fiscal year 2020-21 and the final five-year financial plan for the District (Roll call vote).
5.	Adjournment.

For further information, please call Rita Murphy, Finance Department at 602-495-7116.

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 11, 2020

PROGRAM SCRIPT FOR PUBLIC MEETING OF
PARK CENTRAL COMMUNITY FACILITIES DISTRICT
BOARD OF DIRECTORS

June 17, 2020

1. Call to Order

“This is the time for the seventh 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 2020-21 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 2020-21 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-08

“Is there a motion to adopt Resolution No. PC-08 approving the final District Budget for the fiscal year 2020-21 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-08

A RESOLUTION OF THE BOARD OF DIRECTORS OF PARK CENTRAL COMMUNITY FACILITIES DISTRICT ADOPTING THE DISTRICT BUDGET FOR FISCAL YEAR 2020-21 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 2020-21 (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 \$2,250,686.26 of debt service on the Bonds due during fiscal year 2020-21, 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 3, 2020 pursuant to Resolution No. PC-07 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 \$2,250,686.26 of debt service on the Bonds due during fiscal year 2020-21 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 17th day of June, 2020.

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

ATTEST:

District Clerk, Park Central
Community Facilities District

APPROVED AS TO FORM:

Acting District Counsel, Park Central
Community Facilities District

ATTACHMENTS:

Exhibit "A" –Form of Notice of Public Hearing on Budget
Exhibit "B" – Fiscal Year 2020-2021 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 2020-21 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 2020-21 and the five-year financial plan for Park Central Community Facilities District, will be held by the District Board on June 17, 2020 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 3rd day of June, 2020

**PARK CENTRAL COMMUNITY FACILITIES DISTRICT
DISTRICT BUDGET - 2020-2021**

EXHIBIT B

<u>Fiscal Year</u>	<u>2020-21</u>
<u>Revenues</u>	
Contractual Parking Revenue (Easements)	\$ 580,450
Daily & Event Public Parking Revenues	319,106
Assessment Revenues	-
City Contribution Amounts	1,429,361
City Contributions from 2019-2020	-
Capitalized Interest	-
Interest Earnings on Trusteed Accounts (1)	32,000
Gross Revenues	<u>2,360,917</u>
<u>Expenses</u>	
Debt Service Payments	2,250,686
Operation & Maintenance Expenses	330,486
District Expenses	81,000
Replacement Revenue Fund	-
Total Expenses	<u>2,662,172</u>
Excess (Deficiency) of Revenues Over Expenses	<u><u>(301,255)</u></u>
<u>Excess Funds Long-Term Reserve Fund Balance (2)</u>	
Projected Beginning Balance - 7/1/20	645,041
Share of Excess (Deficiency) Revenue Over Expenses	(301,255)
Projected Ending Balance - 6/30/21	<u>343,786</u>
<u>Replacement Reserve Fund Balance (3)</u>	
Projected Beginning Balance - 7/1/20	-
Share of Excess (Deficiency) Revenue Over Expenses	-
Projected Ending Balance - 6/30/21	<u>-</u>
<u>Debt Service Reserve Fund Balance (4)</u>	
Projected Beginning Balance - 7/1/20	2,251,593
Share of Excess (Deficiency) Revenue Over Expenses	-
Projected Ending Balance - 6/30/21	<u>\$ 2,251,593</u>

Notes and Assumptions

- (1) 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.
- (2) Figures reflect drawdowns to cover annual net revenue short falls, if any.
- (3) Does not reflect potential capital expenditures or interest earnings.
- (4) Debt Service Reserve funded from bond proceeds, equal to maximum annual debt service.

**PARK CENTRAL COMMUNITY FACILITIES DISTRICT
FIVE-YEAR FORECAST**

EXHIBIT C

<u>Fiscal Year</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>
Revenues					
Contractual Parking Revenues (Easements)	\$ 580,450	\$ 741,000	\$ 741,000	\$ 741,000	\$ 741,000
Daily Event Public Parking Revenues	319,106	411,750	549,000	549,000	549,000
Assessment Revenues	-	303,030	535,623	442,828	23,020
City Contribution Amounts	1,429,361	927,095	911,472	1,012,543	1,444,217
Capitalized Interest	-	-	-	-	-
Interest Earnings on Trusteed Accounts (1)	32,000	31,000	29,000	29,000	29,000
Gross Revenues	<u>2,360,917</u>	<u>2,413,875</u>	<u>2,766,095</u>	<u>2,774,371</u>	<u>2,786,237</u>
Expenses					
Debt Service Payments	2,250,686	2,251,593	2,251,186	2,249,468	2,251,436
Operation & Maintenance Expenses	330,486	423,754	432,223	440,903	449,801
District Expenses	81,000	82,000	83,000	84,000	85,000
Replacement Revenue Fund	-	-	-	-	-
Total Expenses	<u>2,662,172</u>	<u>2,757,347</u>	<u>2,766,409</u>	<u>2,774,371</u>	<u>2,786,237</u>
Excess (Deficiency) of Revenues Over Expenses	<u>\$ (301,255)</u>	<u>\$ (343,472)</u>	<u>\$ (314)</u>	<u>\$ -</u>	<u>\$ -</u>
Excess Funds Long-Term Reserve Fund Balance (2)					
Projected Beginning Balance - 7/1/20	645,041	343,786	314	-	-
Share of Excess (Deficiency) Revenue Over Expenses	(301,255)	(343,472)	(314)	-	-
Projected Ending Balance - 6/30/21	<u>343,786</u>	<u>314</u>	<u>-</u>	<u>-</u>	<u>-</u>
Replacement Reserve Fund Balance (3)					
Projected Beginning Balance - 7/1/20	-	-	-	-	-
Share of Excess (Deficiency) Revenue Over Expenses	-	-	-	-	-
Projected Ending Balance - 6/30/21	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt Service Reserve Fund Balance (4)					
Projected Beginning Balance - 7/1/20	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 - 6/30/21	<u>\$ 2,251,593</u>	<u>\$ 2,251,593</u>	<u>\$ 2,251,593</u>	<u>\$ 2,251,593</u>	<u>\$ 2,251,593</u>

Notes and Assumptions

- (1) 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.
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