



# **Update on Construction Financing for the New Arena**

**City Council Presentation March 25, 2025**



## **Background**

- **On December 12, 2023, voters approved a 72-month (1%) sales tax to fund the construction of a new arena.**
- **On March 26, 2024, the OCPPA approved the issuance of revenue bonds and notes totaling up to \$950 million to finance the construction of a new arena. The City Council also approved the debt authorized by the OCPPA during the same meeting.**
- **On November 19, 2024, the OCPPA approved the issuance of an RFP for proposals to select a financing team for the construction financing of the new arena.**



## **Status**

- **On January 14, 2025, OCPPA received sixteen proposals in response to the RFP.**
- **All proposals were reviewed by the staff and our financial advisor, PFM Financial Advisors, LLC.**
- **Four firms were requested to deliver in-person presentations.**
- **After thoroughly evaluating current market conditions, issuing Sales Tax Revenue Bonds will provide the most efficient financing strategy. This approach involves utilizing an underwriting team to effectively promote and market the bonds.**



## **Results and Next Steps**

- **The review committee has determined the financing team for this transaction will comprise of:**
  - **Goldman Sachs – Senior Manager.**
  - **Morgan Stanley and Bank of Oklahoma Financial Securities – Co-Managers.**
- **The arena financing is anticipated to take place in the second half of 2025, unless more favorable market conditions arise for the City and OCPPA sooner.**
- **The City's finance team is collaborating with our municipal counselor, outside bond counsel, and financial advisor to prepare all necessary documents for the bond sale.**



# Questions