



City Manager Report

The City of OKLAHOMA CITY

NO: 2184

DATE: MARCH 25, 2025

TO: THE MAYOR AND MEMBERS OF THE CITY COUNCIL

**SUBJECT: STATUS REPORT - CONSTRUCTION FINANCING FOR THE NEW
ARENA**

Background

On December 12, 2023, City voters approved a one percent (1%) sales tax to fund all expenses related in any manner to constructing, establishing, providing, or maintaining an arena facility that will be owned by the City, including financing costs.

On March 26, 2024, the Oklahoma City Public Property Authority authorized the issuance of revenue bonds or notes, in an amount not to exceed \$950 million, to finance the construction of a new arena. On the same date, the City Council also approved the incurrence of the debt authorized by the Oklahoma City Public Property Authority for the new arena.

On November 19, 2024, the Oklahoma City Public Property Authority authorized the issuance of a Request for Proposals (RFP) to select a financing team for the construction financing of the new arena.

Status

On January 14, 2025, the Oklahoma City Public Property Authority received 16 proposals in response to the RFP. With the assistance of our financial advisor, PFM Financial Advisors LLC, the staff reviewed and evaluated each proposal. Ultimately, we requested in-person presentations from four firms. During this evaluation process, it became evident that, given the current market conditions, issuing sales tax revenue bonds would provide the most efficient financing for the new arena. This strategy will include hiring a dedicated underwriting team to effectively promote and market the bonds.

After evaluating the proposals and conducting interviews, the review committee has determined that the financing team for this transaction will require the services of three underwriting firms. Goldman Sachs will serve as the senior manager, while Morgan Stanley and Bank of Oklahoma Financial Securities will act as co-managers.

Next Steps on Financing

The arena financing is anticipated to occur in the second half of 2025. The City's Finance Team is working with Bond Counsel and PFM to prepare all necessary documents. This will allow the Oklahoma City Public Property Authority to respond quickly if favorable market conditions arise. Brent Bryant, the Assistant City Manager/Chief Financial Officer, will be available to answer any questions.

A handwritten signature in black ink, appearing to read "C. Freeman". The signature is fluid and cursive, with a long horizontal stroke at the end.

Craig Freeman
City Manager