



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 2/16/2021

District E

Item Creation Date: 2/3/2021

MYR - Lake Houston Debt Issuance

Agenda Item#: 38.

Summary:

SUBJECT: An Ordinance approving the issuance of bonds and notes by the Lake Houston Redevelopment Authority

RECOMMENDATION:

City Council adopt an Ordinance authorizing the Lake Houston Redevelopment Authority to issue additional bonds and notes in an aggregate principal amount not to exceed \$90 million outstanding at any one time.

SPECIFIC EXPLANATION:

The City of Houston ("City"), Reinvestment Zone Number Ten, City of Houston, Texas ("Zone") and the Lake Houston Redevelopment Authority ("Authority") entered into an agreement ("Tri-Party Agreement"), pursuant to Ordinance No. 2014-50, approved by City Council on January 22, 2014. The Tri-Party Agreement provides that the Authority may issue notes in the maximum amount of \$1M outstanding at any one time, but may not issue notes in excess of that amount without further approval by the City Council. Additionally, the Tri-Party Agreement provides that the Authority may not issue bonds without the City's consent.

On December 19, 2018, by Ordinance No. 2018-1025, City Council approved an ordinance authorizing the Authority to issue additional bonds and notes in an aggregate principal amount not to exceed \$60M outstanding at any one time without further approval by the City Council, to provide the funding for capital projects reflected in the Zone's approved FY 2019 Budget and Capital Improvement Plan. The Authority is requesting authorization to issue an additional \$30M in bonds and notes, to provide funding for capital projects reflected in the Zone's FY 2021 Budget and Capital Improvement Plan. In order to issue up to \$90M in bonds and notes, the Authority must obtain City Council's approval.

The Authority contemplates the issuance of two bond series in 2021 and 2023. The bond proceeds net of issuance costs will be programmed for the following:

- Northpark Drive Overpass Project
- \$ Northpark Drive Reconstruction Project
- Kingwood Drive at Woodland Hills Reconstruction
- Atlas 14 Drainage requirements for Northpark
- Retire the existing BBVA debt

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Andrew F. Icken, Chief Development Officer

Background:

Prior Council Action:

Ord. No. 1997-1589, 12/17/97; Res. No. 2013-0062, 12/4/13; Ord. No. 2014-0050, 1/22/14; Ord. No. 2018-1025, 12/19/18

Contact Information:

DS
GT

Gwendolyn Tillotson

Phone: (832.393.0937)