



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 9/14/2021

Item Creation Date:

FIN - GO TRANS 2021 (2)

Agenda Item#: 1.

Background:

RECOMMENDATION:

Adopt a motion authorizing the Mayor and City Controller to award the sale of up to \$75,000,000 Tax and Revenue Anticipation Notes, Series 2021 (the "Notes") and take any other action required related to the issuance of the Notes, including ratification and confirmation of the use of the Preliminary Official Statement provided to prospective bidders in connection with the offering for sale of the Notes and approval of the preparation and distribution of the Official Statement.

SPECIFIC EXPLANATION:

On August 4, 2021, City Council passed two Ordinances No. 2021-0654; 2021-0670 (the "Ordinances") authorizing the issuance and sale of Tax and Revenue Anticipation Notes, Series 2021 (the "Notes"). As in prior years, the proceeds of the Notes will be used to fund General Fund operating expenditures in anticipation of the receipt of ad valorem tax revenues later in Fiscal Year 2022.

On or about September 2, 2021, a Notice of Sale and Preliminary Official Statement was made available to prospective purchasers relating to the offering of up to \$75,000,000 of Notes and requesting the delivery of the bids on September 15, 2021. The bids are received through an auction format described below that allows a broker/dealer to bid for the total principal amount of the Notes or a lesser principal amount; therefore, the "winning bid" may be awarded to more than one firm.

As in prior years, electronic bids for the Notes will be received via Grant Street (a web based auction system) between 8:30 a.m. – 9:00 a.m. Central Daylight Time on September 15, 2021; however, to encourage competitive bidding, if any bid becomes a leading bid (i.e. lowest yield) within two minutes prior to the scheduled end of the bidding, then the time period for submission of bids will automatically extend by two minutes to allow other bidders additional time to consider improving their pricing. At the close of the bidding period, the Office of the City Controller, Finance Department, and the City's financial advisors will verify interest rate calculations of bids received and provide the results to the City Council. Upon receiving the results, City Council is requested to adopt a motion to award the sale to one or more purchasers based on the lowest true interest cost, ratify and confirm the use of the Preliminary Official Statement and authorize the distribution of the Official Statement. It is expected that the proceeds from the sale of the Notes will be available on Thursday, September 30, 2021.

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Tantri Emo

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Tantri Emo, Chief Business Officer/Director of Finance

DocuSigned by:

Chris Brown

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Chris B. Brown, Houston City Controller

Prior Council Action:

August 4, 2021; Ord. 2021-0654; 2021-0670

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