



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 10/1/2024

Item Creation Date:

FIN Sports Authority

Agenda Item#: 21.

Summary:

NOT A REAL CAPTION

RESOLUTION approving Harris County-Houston Sports Authority Revenue Refunding bonds in one or more series to refinance outstanding obligations for savings

Background:

RECOMMENDATION:

Adoption of a Resolution approving Harris County-Houston Sports Authority Revenue Refunding bonds in one or more series to refinance outstanding obligations for savings.

SPECIFIC EXPLANATION:

The Harris County-Houston Sports Authority ("Sports Authority") was created jointly by the City of Houston (the "City") and Harris County (the "County") for the purpose of financing and developing venues for Houston's professional sports teams, including the Astros, Texans and Rockets, and the Houston Rodeo. The primary method of financing for the sports venues includes the existing hotel occupancy and motor vehicle rental taxes ("HOT/MVRT taxes") imposed by the Sports Authority in 1997. With the approval of the City and the County, the Sports Authority (i) issued bonds and other obligations for the financing of Minute Maid Park in 1998, NRG Stadium and Toyota Center in 2001 and 2002, (ii) issued refunding bonds in 2014 and (iii) issued refunding bonds in 2020 (collectively, the "Venue District Obligations").

Based on the current plan of finance, which is subject to change, the Sports Authority expects to refinance approximately \$353 million of bonds secured by HOT/MVRT taxes to refund its debt service payment requirements and achieve debt service savings.

Neither the Venue District Obligations nor the contemplated refunding bonds are or would be an obligation of the City, and the City does not have any obligation to pay debt service on Sports Authority obligations.

Section 335.073(a) of the Local Government Code provides for approval by the City and the County of bonds to be issued by the Sports Authority. To move forward with the finance plan, the Sports Authority now wishes for the City to authorize the Sports Authority to issue bonds to refinance a portion of Venue District Obligations.

With the City's approval of the Resolution, the Sports Authority will be authorized to issue bonds in one or more series to refund a portion of the existing Venue District Obligations. The aggregate principal amount of the bonds is expected to be approximately \$353 million plus any additional refunding/tender candidates, inclusive of costs of issuance, premium and deposits for reserves.


This transaction was presented to the Budget and Fiscal Affairs Committee on October 1, 2024.

DocuSigned by:

A blue ink signature of Melissa Dubowski.

Melissa Dubowski, Chief Business Officer/Director of Finance

Contact Information:

Melissa Dubowski  Phone: 832-393-9101
Alma Tamborello Phone: 832-393-9099