



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 11/18/2025

Item Creation Date:

FIN - HAS Special Facilities 2025 Terms

Agenda Item#: 27.

Background:

RECOMMENDATION:

Approve an ordinance authorizing and approving the terms, amounts and interest rates relating to the sale of City of Houston, Texas, Airport System Special Facilities Revenue Bonds (United Airlines, Inc. Catering Operations Facility Projects), Series 2025 (AMT) (the "2025 Catering Facility Bonds"), City of Houston, Texas, Airport System Special Facilities Revenue Bonds (United Airlines, Inc. Ground Services Equipment Facility Project), Series 2025 (AMT) (the "2025 GSE Facility Bonds"), and City of Houston, Texas, Airport System Special Facilities Refunding Bonds (United Airlines, Inc. Terminal Improvement Projects), Series 2025B (AMT) (the "2025 Terminal B Refunding Bonds," and together with the 2025 Catering Facility Bonds and the 2025 GSE Facility Bonds, the "Series 2025 Bonds"); ratifying ordinances relating to each series of the Series 2025 Bonds adopted on November 5, 2025, and approving, confirming and ratifying related matters; making certain findings with respect thereto; and declaring an emergency.

SPECIFIC EXPLANATION:

On November 5, 2025, the City Council adopted: (i) an ordinance authorizing the transaction and offering documents relating to the 2025 Catering Facility Bonds and approving the issuance, sale and delivery thereof; (ii) an ordinance authorizing the transaction and offering documents relating to the 2025 GSE Facility Bonds and approving the issuance, sale, and delivery thereof; and (iii) an ordinance authorizing the transaction and offering documents relating to the 2025 Terminal B Refunding Bonds and approving the issuance, sale, and delivery thereof. The authorization and approval of the Series 2025 Bonds in each of the prior ordinances described above is subject to City Council approving the final terms, amounts, interest rates and redemption provisions pursuant to this Ordinance. As stipulated in each individual ordinance, the City expects the total par amount of bonds across all three series not to exceed \$575 million.

Each of the Series 2025 Bonds are secured solely by and payable from special facility lease payments made by United under separate special facility leases for each series of the Series 2025 Bonds. The Series 2025 Bonds will not constitute an indebtedness of the City. No holder of any Series 2025 Bonds shall have the right to demand payment of any funds raised or to be raised by taxation and may not be repaid in any circumstances from tax revenues. In addition, the Series 2025 Bonds shall not constitute obligations of the City's Airport System secured with revenues of the Airport System, nor will revenues be pledged or made available to repay any of the Series 2025 Bonds. The Series 2025 Bonds are scheduled to be priced on Tuesday, November 18, 2025 and sold on November 19, 2025, subject to City Council approval of this Ordinance.

Pursuant to Ordinance No. 2025-0407 and the three above-referenced ordinances adopted on November 5, 2025, the Finance Working Group requests City Council to approve an ordinance approving the Pricing Certificates reflecting the par amount, interest rates, redemption provisions and other terms of the Series 2025 Bonds that are being sold to the underwriters pursuant to the Bond Purchase Agreement. It is expected that the City will, in conjunction with the underwriters and United Airlines, Inc., execute the Bond Purchase Agreement and Letter(s) of Representation upon City Council approval of this item on Wednesday, November 19, 2025. If the ordinance is not approved, the pricing of the Series 2025 Bonds and the related Bond Purchase Agreement will be rendered moot. Accordingly, this item is submitted as a "non-tag" item.

This transaction was presented to the Budget and Fiscal Affairs Committee on July 29, 2025.

DocuSigned by:

Melissa Dubowski, Chief Business Officer/Director of Finance

Signed by:

Chris Hollins, Houston City Controller

Prior Council Action:

Ordinance No. 2025-0407

Contact Information:

Alma Tamborello

Vernon Lewis

Phone: 832-393-9099

Phone: 832-393-3470