

CITY OF HOUSTON RESOLUTION NO. 2014 - 43

**A RESOLUTION APPROVING THE ISSUANCE AND SALE BY
HARRIS COUNTY-HOUSTON SPORTS AUTHORITY OF TAX-EXEMPT AND
TAXABLE VENUE DISTRICT REVENUE REFUNDING BONDS
IN ONE OR MORE SERIES TO REFINANCE AND RESTRUCTURE
OUTSTANDING VENUE DISTRICT OBLIGATIONS**

RECITALS

1. The Harris County-Houston Sports Authority (the "Authority") was created by concurrent order of the Commissioners Court of Harris County, Texas (the "County") adopted July 29, 1997 and the City Council (the "City Council") of the City of Houston (the "City"), adopted July 30, 1997.

2. The Authority has previously issued bonds or incurred other obligations (the "Venue Project Obligations") to finance three approved venue projects, Minute Maid Park at Union Station, NRG Stadium, and Toyota Center.

3. Chapter 1207, Texas Government Code, authorizes the Authority to issue refunding bonds to refund all or any part of the Authority's outstanding bonds or obligations.

4. The Venue Project Obligations include the Harris County - Houston Sports Authority Senior Lien Special Revenue Bonds, Series 1998A; Junior Lien Special Revenue Bonds, Series 1998B; Taxable Junior Lien Special Revenue Bonds, Series 1998C; Senior Lien Revenue Bonds, Series 2001A; Junior Lien Revenue Bonds, Series 2001B; Senior Lien Revenue Bonds, Series 2001G; Junior Lien Revenue Bonds, Series 2001H; Taxable Senior Lien Revenue Bonds, Series 2001I; Third Lien Revenue Refunding Bonds, Series 2004A; Subordinate Lien Notes, Series 2001C-1 and C2; Subordinate Lien Notes, Series 2001D-1 and D-2; the RCM Note and the 2006 Harris County Amended Reimbursement Agreement representing the Authority's obligation thereunder; and the payment of accreted interest and credits under the Funding Agreement dated May 17, 2001 (the "Funding Agreement"), by and among the Authority, Harris County Sports & Convention Corporation ("HCSCC"), Houston NFL Holdings, L.P. (the "NFL Club") and Houston Livestock Show and Rodeo, Inc. (the "Rodeo"), incurred in connection with the Junior Lien Special Revenue Bonds, Series 2001C, Taxable Junior Lien Special Revenue Bonds, Series 2001D, and Taxable Junior Lien Revenue Bonds, Series 2001E, including amounts accrued for Harris County, Texas, the Harris County Sports Corporation, and the NFL Club.

5. The Authority desires to issue its refunding bonds to refund a portion of the outstanding Venue Project Obligations to achieve over-all savings or to restructure its debt service payment requirements.

6. Approval by the City Council of the refunding bonds is required for their issuance pursuant to the provisions of Chapters 334 and 335, Texas Local Government Code, as amended.

NOW, THEREFORE, BE IT RESOLVED THAT:

Section 1. Approval of Refunding Bonds. The City authorizes the Authority to issue its refunding bonds (the "Refunding Bonds") from time to time to refund all or a portion of the outstanding Venue Project Obligations or bonds issued to refund those obligations. The Refunding Bonds may be secured in whole or in part by a pledge of any or all of (a) the revenues from the Authority's existing hotel occupancy and motor vehicle rental taxes; (b) the revenues received from the Houston Astros LLC (the "Astros") as Basic Rentals under the Stadium Lease Agreement, and as the Royalty Payment under the License Agreement, each dated June 17, 1998, between the Astros and the Authority; (c) the "Miscellaneous Revenues", as defined in the Funding Agreement, consisting of (i) payments by the NFL Club; (ii) payments by the Rodeo; (iii) revenues from the admissions tax to be imposed by the Authority in connection with events at NRG Stadium, together with a surcharge on admissions to be imposed by the Rodeo on Rodeo events; (iv) revenues from the parking tax to be imposed by the Authority at NRG Stadium; and (v) revenues from the combined 2% sales tax rebate from the City and the Metropolitan Transit Authority ("METRO") on the sale of all taxable items at NRG; or (d) revenues received as "Residual Area Rent" payments made by Clutch City Sports, LLC, and guaranteed by Rocket Ball, LLC ("Rocket Ball") pursuant to the Arena Lease, Sublease, License and Management Agreement by and between the Authority and Rocket Ball.

Section 2. Other Actions. The Mayor and the City Secretary of the City and the other appropriate officers of the City are hereby authorized jointly and severally, to execute and deliver such endorsements, instruments, certificates, documents, or papers necessary and advisable to carry out the intent and purposes of this resolution.

Section 3. Open Meetings Act. It is hereby found, determined and declared that a sufficient written notice of the date, hour, place and subject of the meeting of the City Council at which this Resolution was adopted was posted at a place convenient and readily accessible at all times to the general public at the City Hall of the City for the time required by law preceding this meeting, as required by the Texas Open Meetings Act, Chapter 551, Texas Government Code, as amended, and that the meeting has been open to the public as required by law at all times during which this Resolution and the subject matter thereof have been discussed, considered and formally acted upon. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

Section 4. Effective Date. This Resolution shall take effect immediately upon its passage and approval by the Mayor; however, if the Mayor fails to sign this Resolution within five days after its passage and adoption, it shall take effect in accordance with Article VI, Section 6 of the City Charter.

PASSED, this 5th day of November, 2014.

APPROVED, this 5th day of November, 2014.

Annise D. Parker
Mayor of the City of Houston

Approved as to Form:

Gary L Wood
Senior Assistant City Attorney

(Requested by Kelly Dowe
Director of Finance)
(L.D. File No. 0341400283001)

AYE	NO	
✓		MAYOR PARKER
....	COUNCIL MEMBERS
✓		STARDIG
✓		DAVIS
✓		COHEN
✓		BOYKINS
✓		MARTIN
✓		NGUYEN
✓		PENNINGTON
✓		GONZALEZ
✓		GALLEGOS
✓		LASTER
✓		GREEN
✓		COSTELLO
✓		ROBINSON
✓		KUBOSH
✓		BRADFORD
✓		CHRISTIE
CAPTION	ADOPTED	

CAPTION PUBLISHED IN DAILY COURT
REVIEW
DATE: NOV 11 2014