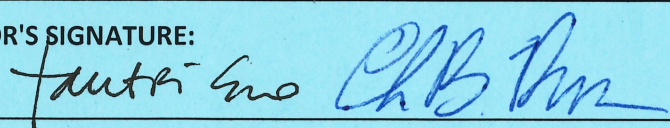




SUBJECT: Approve an ordinance authorizing certain authorized officers of the City to complete the sale of City of Houston, Texas, Airport System Special Facilities Revenue Bonds (UTOC Project), Series 2018 (AMT) and City of Houston, Texas, Airport System Special Facilities Revenue Bonds (Airport Improvement Projects), Series 2018C (AMT); Ratifying Ordinance 2017-888 and making certain findings with respect thereto; and declaring an emergency.		Category #	Page 1 of <u>1</u>	Agenda Item#
FROM (Department or other point of origin): Department of Finance and Office of the City Controller		Origination Date: 11/14/2017	Agenda Date 2-6-18	
DIRECTOR'S SIGNATURE: 		Council District Affected: All		
For additional information contact: Melissa Dubowski  Phone: 832-393-9101 Charisse Mosely  Phone: 832-393-3529		Date and identification of prior authorizing Council action: 11/15/2017 Ordinance No. 2017-888		
RECOMMENDATION: (Summary) Approve an ordinance authorizing certain authorized officers of the City to complete the sale of City of Houston, Texas, Airport System Special Facilities Revenue Bonds (UTOC Project), Series 2018 (AMT) and City of Houston, Texas, Airport System Special Facilities Revenue Bonds (Airport Improvement Projects), Series 2018C (AMT) ("Special Facilities Bonds"); Ratifying Ordinance 2017-888 and making certain findings with respect thereto; and declaring an emergency.				
Amount of Funding: Not Applicable		Finance Budget:		
Source of Funding: <input type="checkbox"/> General Fund <input type="checkbox"/> Grant Fund <input type="checkbox"/> Other (Specify) <input checked="" type="checkbox"/> Enterprise Fund				
SPECIFIC EXPLANATION: <p>On November 15, 2017, the City Council adopted Ordinance No. 2017-888 (the "2017 Ordinance") authorizing the issuance, sale and delivery of the City of Houston, Texas, Airport System Special Facilities Revenue Bonds (UTOC Project, Series 2018 (AMT) and City of Houston, Texas, Airport System Special Facilities Revenue Bonds (Airport Improvement Projects), Series 2018C (AMT) (the "Special Facilities Bonds") will finance approximately \$120 million for the construction of a technical operations center and related facilities and approximately \$60 million for improvements to an existing aircraft maintenance hangar facility, construction of an aircraft shops facility, expansion of an existing warehouse facility, and renovation of a maintenance parts storage facility, all by United Airlines at George Bush Intercontinental Airport.</p> <p>The Special Facilities Bonds will not constitute an indebtedness of the City, nor will they be a general obligation of the City. No holder of any Special Facilities Bond 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 Special Facilities Bonds shall not constitute obligations of the City's Airport System, nor will revenues be pledged or made available to repay any of the Special Facilities Bonds. The Special Facility Bonds are secured solely by and payable from special facility lease payments made by United Airlines under two separate special facility leases for each series of Bonds. The Special Facility Bonds are scheduled to be priced on Tuesday, February 6, 2018.</p> <p>Pursuant to Ordinance No. 2017-888, the Finance Working Group requests City Council to approve an Officers Pricing Certificate reflecting the final par amount, interest rates, redemption provisions and other terms of the Special Facilities Bonds. It is expected that the City will, in conjunction with the underwriters, execute the bond purchase agreement upon City Council approval of this item on Wednesday, February 7, 2018. If the ordinance is not approved, the bond purchase agreement will be rendered moot. Accordingly, this item is submitted as a "non-tag" item.</p>				
Recommendation: <p>The Finance Working Group recommends the approval of this item.</p>				
REQUIRED AUTHORIZATION				
Finance Director:	Other Authorization:	Other Authorization:		