



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 12/18/2018

District E

Item Creation Date: 11/29/2018

MYR - TIRZ 10 Lake Houston Bond Issuance

Agenda Item#: 24.

Summary:

ORDINANCE approving the issuance of bonds and notes by the **LAKE HOUSTON REDEVELOPMENT AUTHORITY** for **REINVESTMENT ZONE NUMBER TEN, CITY OF HOUSTON, TEXAS (LAKE HOUSTON ZONE) - DISTRICT E - MARTIN**

Background:

SUBJECT: An Ordinance approving the issuance of bonds and notes by the Lake Houston Redevelopment Authority for Reinvestment Zone Number Ten, City of Houston, Texas ("Lake Houston Zone").

RECOMMENDATION: That City Council adopt an Ordinance approving and authorizing the Lake Houston Redevelopment Authority to issue additional bonds and notes to a total aggregate principal amount not to exceed \$60 million outstanding at any one time.

SPECIFIC EXPLANATION:

The City of Houston ("City"), Reinvestment Zone Number Ten, City of Houston, Texas ("Zone"), and the Lake Houston Redevelopment Authority ("Authority"), entered into an agreement ("Tri-Party Agreement"), pursuant to Ordinance No. 2014-50, approved by City Council on January 22, 2014. The Tri-Party Agreement provides that the Authority may issue notes in the maximum amount of \$1 million outstanding at any one time, but may not issue notes in excess of that amount without further approval by the City Council. Additionally, the Tri-Party Agreement provides that the Authority may not issue bonds without the City's consent.

To implement the 5th Amended Project Plan and Reinvestment Zone Financing Plan for the Zone and to implement its Fiscal Year 2019 Operating Budget and five-year Capital Improvement Plan Budget as approved by City Council (together, "Budget"), the Authority will need to obtain financing to fund design and construction plans and will need to issue up to \$60 million in bonds or notes. In order to issue up to \$60 million in bonds or notes, the Authority must obtain City Council's approval to increase the total amount of bonds and notes the Authority is currently authorized to issue by an additional \$59 million.

Approval of this Ordinance will allow the Authority to issue up to a total aggregate principal amount not to exceed \$60 million in bonds or notes outstanding at any one time to provide the capital needed to support redevelopment projects in the Zone, consisting primarily of mobility improvements, roadway replacement and reconstruction projects, and flood mitigation improvements identified in its Fiscal Year 2019-2023 budget.

Andrew F. Icken, Chief Development Officer

Prior Council Action:

- Ord. No. 1997-1589, 12/17/97;
- Res. No. 2013-0062, 12/4/13;
- Ord. No. 2014-0050, 1/22/14

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ATTACHMENTS:

Description

- PCA 1997-1589
- PCA 2013-062
- PCA 2014-050
- Ordinance

Type

- Backup Material
- Backup Material
- Backup Material
- Ordinance/Resolution/Motion