

# LOEWS HOTEL REFINANCING

Ordinance No. 211037

Finance, Governance and Public Safety Committee

December 1, 2021

## Past Council Action

- **Committee Substitute for Ordinance No. 150597, passed July 15, 2015**
  - **Approved TIF Plan**
  - **Authorized Redevelopment Agreement**
  - **Authorized City Manager to enter into the Super-TIF Financing Agreement, Master Financing Agreement and the Exclusive Catering Agreement**
  - **Created a CID**

## City Commitments

- **Contribute City Property – hotel site**
- **Make City Contribution - \$35 million (cash)**
  - **Special obligation bonds - 2018**
- **Catering Agreement**
  - **Loews as exclusive caterer for Bartle Ballroom and Conference Center**
  - **Requires annual Fixed Fee payment**
- **Make Contract Payments to NBH Bank to cover Developer loan (per Master Financing Agreement)**
- **Redirect TIF (23 years) and Super TIF (30 years) to back LCRA bonds**
  - **No direct City obligation**

- **Authorize the issuance of Taxable Special Obligation Refunding Bonds, Series 2021E**
  - Not to exceed \$51 million
  - Private Placement with NBH Bank
  - 15 year term
- **Approve modifications to contract payment provisions**
  - Exclusive Catering Agreement
  - Master Financing Agreement
  - Super TIF Agreement
- **Estimate and appropriate proceeds**

Purpose of  
Ordinance  
No. 211037

## Plan of Finance (Uses of funds)

- **To finance discounted upfront fixed fee payment for catering services**
  - \$5.89 million
    - 35% of future annual payments
- **To refinance outstanding NBH Loan balance**
  - \$35.4 million

- **Estimated Cumulative Savings**
  - Present Value Savings - \$4.9 million
  - Percentage savings of refunding bonds - 11.08%
- **Sources of repayment**
  - Net Catering Revenues
  - General Municipal Revenues

Financing  
(Debt Service)



Questions?