



AGENDA MEMORANDUM

First Reading for the City Council Meeting of May 05, 2026
Second Reading for the City Council Meeting of May 12, 2026

DATE: May 05, 2026

TO: Peter Zanoni, City Manager

FROM: Sergio Villasana, Director of Finance and Procurement
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Delegating the Authorization for the Issuance of General Improvement Bonds.

CAPTION:

An Ordinance by the City Council of the City of Corpus Christi, Texas authorizing the issuance of “City of Corpus Christi, Texas General Improvement Bonds, Series 2026”, for the third issuance of bonds from the Bond 2022 authorization and the first issuance of bonds from the Bond 2024 authorization, in a cumulative amount not to exceed \$115,000,000, within set parameters; levying a continuing direct annual ad valorem tax for the payment of the Bonds; delegating the authority to the City Manager, Deputy City Manager, Director of Finance and Procurement, and certain other authorized officials to approve and execute documents relating to the issuance, sale and delivery of the Bonds; authorizing the execution of related engagement agreements with the City’s Financial Advisors and Bond Counsel; and providing for an effective date.

SUMMARY:

The City plans to issue \$11,000,000 of General Improvement (GO) bonds approved by voters in the 2022 Bond election and \$104,000,000 of General Improvement (GO) bonds approved by voters in the 2024 election. The amount of bond issuance included in the ordinance reflects estimated issuance costs and accounts for any fluctuations in the bond market at the time of pricing. The ordinance delegates the authority to issue the bonds to the City Manager, Deputy City Manager, or the Director of Finance and Procurement, subject to the parameters set forth in the ordinance.

BACKGROUND AND FINDINGS:

Because of the fluctuating conditions in the municipal bond market and to ensure that all legal documents are executed on a timely basis, our financial advisor has recommended that the City Council delegate to the City Manager, Deputy City Manager, and the Director of Finance and Procurement (the “Authorized Officials”) the authority to approve the sale of the bonds, subject to the following parameters:

General Improvement Bonds:

- 1) The principal amount in total of all bonds sold may not exceed \$115,000,000.
- 2) The maximum maturity of any series of Bonds shall not occur later than March 1, 2045.
- 3) The true interest rate shall not exceed 5.00%.
- 4) The final series of Bonds issued shall be sold on or before May 19, 2027.

The City's bond counsel has confirmed that the City may delegate the sale of the bonds to the Delegated Officials in the manner outlined above pursuant to the authority contained in Chapter 1371, as amended, of the Texas Government Code.

In November 2022, voters approved 4 propositions totaling \$125,000,000 for improvements to Streets, Park and Recreational facilities, Public Safety facilities, and Libraries. To date, \$80,000,000 in bonds have been sold, leaving \$45,000,000 of unissued bonds, of which \$11,000,000 will be issued.

In November 2024, voters approved 4 propositions totaling \$175,000,000 for improvements to Streets, Parks, Public Safety facilities, and Libraries. Bonds totaling \$105,000,000 will be issued.

The City Council has approved reimbursement resolutions for the 2022 and 2024 bond programs, which allowed the City to begin awarding contracts for the bond projects before the issuance of the bonds. This agenda item will allow for the issuance of GO Bonds to reimburse the City for funds used for these projects.

Issuing bonds is a multi-step process. Staff will meet with rating agencies and investors in July 2026. The bonds are expected to be sold in August 2026, subject to market conditions, with the financing closing in September 2026.

ALTERNATIVES:

n/a

FISCAL IMPACT:

The fiscal impact of this ordinance is that it will generate up to \$115,000,000 in bond proceeds for use in improvements to streets, parks, recreational facilities, public safety, and libraries approved by voters during the 2022 and 2024 Bond Election.

RECOMMENDATION:

Staff recommends approval of the ordinance as presented.

LIST OF SUPPORTING DOCUMENTS:

Ordinance
Presentation