Bond Case Briefs

Municipal Finance Law Since 1971

Patrick Mahomes' Alma Mater Gets Stadium Makeover With Munis.

- **Texas Tech system sold about $342 million of muni bonds**
- **University is acquiring upgraded projects from foundation**

The football stadium at Texas Tech University, where Kansas City Chiefs quarterback Patrick Mahomes played, is the latest to get a debt-financed face-lift.

One of the school's athletic foundations — known as the Red Raider Facilities Foundation — has already financed the renovations which include upgrades to the stadium's south end zone and a new athletic training facility. Both projects were completed last year and financed through $116.7 million of donations as well as debt. Even Mahomes chipped in $5 million to support the endeavor.

This week, the Texas Tech University System — which encompasses five institutions and enrolls more than 63,000 students — sold $341.5 million of municipal bonds to help acquire the projects from the foundation, according to offering documents. Proceeds from the sale are expected to pay off the loan the nonprofit incurred for the projects, among other uses, the documents state.

Colleges often tap the municipal bond market to help finance upgrades on campus including stadium renovations. Last year, a roughly $300 million bond sale funded improvements to Florida State University's football stadium. The bond sale was secured by revenue from the athletic department and Seminole boosters.

The Texas Tech Red Raiders play at Jones AT&T Stadium in Lubbock, which is roughly 350 miles west of Dallas. When it opened in 1947, the stadium could hold 27,000 people and has gone through multiple renovations over the years. Now it has a capacity of more than 60,000, about the same as some professional facilities.

The school's football coach and athletics director toured NFL stadiums to get inspiration for the most recent renovations, which mark the largest athletic project in school history. The upgrades feature new concession options, luxury suite seating and screening rooms for football players to watch tape and simulate plays.

"This initiative extends beyond the stadium, including state-of-the-art training facilities that will enhance the student-athlete experience and support their development both on and off the field," said Allison Hirth, assistant vice president of marketing and communications at Texas Tech, in a statement. "The project underscores Texas Tech's commitment to competing at the highest level, equipping student-athletes with the necessary resources while elevating the gameday experience for fans."

The bond deal priced on Thursday and was managed by Siebert Williams Shank, according to investor roadshow documents. Tax-exempt bonds maturing in 2051 priced at a 4.22% yield, 34 basis points above AAA rated municipals, according to data compiled by Bloomberg.

The securities carry a AA+ rating from Fitch Ratings and Aa1 from Moody’s Ratings, the second-highest grades available. The rating incorporates Texas Tech’s “excellent strategic positioning and sizable scope of operations,” according to a report by Moody’s authored by Nicolanne Addalli.

Bloomberg Markets

By Elizabeth Rembert and Amanda Albright

February 20, 2025

Copyright © 2026 Bond Case Briefs | bondcasebriefs.com