

## A G E N D A



## Recommendation for Council Action

Austin City Council	Item ID	9415	Agenda Number	96.
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Meeting Date:	8/25/2011	Department:	Treasury
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## Subject

Approve an ordinance authorizing the issuance of City of Austin, Public Improvement Refunding Bonds, Taxable Series 2011B, in an amount not to exceed \$3,500,000 in accordance with the parameters set out in the ordinance, and all related documents, and approving related fees. These funds will be used to refund a HUD Section 108 loan for the Millennium Youth Center (formerly the Central City Entertainment Center). When combined with the Series 2011A Refunding Bonds, refunding these obligations is intended to result in present value savings exceeding the City's target guideline of 4.25%.

## Amount and Source of Funding

\$654,664 for estimated debt service requirement and an estimated annual paying agent/registrar fee of \$400 was included in the 2011-2012 proposed Budget of the General Obligation Debt Service Fund.

## Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:	
Prior Council Action:	
For More Information:	Art Alfaro, Treasurer 974-7882
Boards and Commission Action:	
MBE / WBE:	
Related Items:	

## Additional Backup Information

The refunding of the HUD Section 108 Loan (Central City Entertainment Center) Refunding Series 2010 will be through a taxable transaction in order to comply with certain federal tax laws. Combined with the Series 2011A refunding on this Council agenda, this refunding meets the City of Austin Financial Policies of 4.25% present value saving on the refunded bonds.

In order to provide the City with the flexibility to quickly respond to changing market conditions, the proposed ordinance delegates the authority to the City Manager or Chief Financial Officer (the "Pricing Officer") to effect the execution of the sale of the refunding bond transaction in accordance with the parameters set forth in the ordinance. In addition, the authority of the Pricing Officer to exercise the authority delegated thereto by the Council under the ordinance expires on March 30, 2012.

The transaction will be sold through the following underwriting team which was approved by Council on May 17, 2007.

Senior Manager

Ramirez & Co. (MBE)

Co-Managers

Barclay's

Citigroup

Morgan Stanley

Morgan Keegan (Regional)

Southwest Securities (Regional)

Rice Financial Products (MBE)

Cabrera Capital Markets (MBE)

Siebert Brandford Shank (MBE)

McCall, Parkhurst and Horton will serve as bond counsel and Andrews Kurth will serve as underwriter counsel for this transaction.

This item has been posted for not later than 2:00 p.m., in order for Council action to occur prior to the close of the financial markets.