ORDINANCE NO.

AN ORDINANCE ORDERING A GENERAL MUNICIPAL ELECTION TO BE HELD IN THE CITY OF AUSTIN ON NOVEMBER 4, 2014, FOR THE PURPOSE OF ELECTING A MAYOR (AT LARGE) AND CITY COUNCIL MEMBERS (SINGLE MEMBER DISTRICTS) FOR DISTRICT 1, DISTRICT 2, DISTRICT 3, DISTRICT 4, DISTRICT 5, DISTRICT 6, DISTRICT 7, DISTRICT 8, DISTRICT 9, AND DISTRICT 10; ORDERING A SPECIAL ELECTION FOR THE PURPOSE OF AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS; PROVIDING FOR THE CONDUCT OF THE ELECTION; AUTHORIZING THE CITY CLERK TO ENTER INTO JOINT ELECTION AGREEMENTS WITH OTHER LOCAL POLITICAL SUBDIVISIONS AS MAY BE NECESSARY FOR THE ORDERLY CONDUCT OF THE ELECTION; AND DECLARING AN EMERGENCY.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. A general municipal election shall be held in the City of Austin on November 4, 2014. At the election there shall be elected by the qualified voters of the City a Mayor (at large) and City Council Members (single member districts) for District 1, District 2, District 3, District 4, District 5, District 6, District 7, District 8, District 9, and District 10. The candidates for Mayor shall meet all requirements and shall be residents of the City of Austin, and shall be elected by majority vote of the City at large. The candidates for Districts 1 through 10 shall meet all requirements and shall be residents of their respective districts, and shall be elected by majority vote of voters residing in each respective district.

PART 2. A special election shall be held in the City of Austin on November 4, 2014. At the election the voters shall consider the issuance of general obligation bonds.

PART 3. The Council establishes that the following bond proposition shall be presented to the voters at the special bond election on November 4, 2014:

PROPOSITION

Shall the City Council of the City of Austin, Texas be authorized to issue general obligation bonds and notes of the City for transportation and mobility purposes, to wit: planning, designing, engineering, acquiring, constructing, reconstructing, renovating, improving, operating, maintaining and equipping rail systems, facilities; and infrastructure, including a fixed rail transit system to be operated by Capital Metropolitan Transportation Authority (which may spend its funds to build, operate and maintain such...
system) servicing the East Riverside Corridor, downtown Austin, the State
Capitol complex, the Medical School complex, the University of Texas,
Hancock Center, Austin Community College Highland campus, and
surrounding neighborhoods; roadway improvements related to such rail
systems, facilities and infrastructure; acquiring land and interests in land and
property necessary therefor; and all matters necessary or incidental thereto;
with the bonds and notes to be issued in one or more series or issues, in the
aggregate principal amount of $600,000,000, to mature serially or otherwise
and bear interest at a rate or rates not to exceed the respective limits
prescribed by law at the time of issuance, and to be sold at the price or prices
as the City Council determines and shall there be levied and pledged,
assessed, and collected annually ad valorem taxes on all taxable property in
the City in an amount sufficient to pay the annual interest on the bonds and
notes and to provide a sinking fund to pay the bonds and notes at maturity;
provided, however, that no bonds or notes shall be issued to acquire,
construct, reconstruct, renovate, improve, operate, maintain or equip rail
systems, facilities and infrastructure or to acquire land and interests in land
and property necessary therefor; pay costs of the fixed rail transit system
(other than expenditures for planning, designing and engineering) unless (i)
the City obtains one or more commitments for grant or match funding—or
financial assistance from the Federal Transit Administration or one or more
public or other federal or private or state sources for a portion of the cost of the
fixed rail transit system and (ii) the City also provides funding in an amount
of not less than $400,000,000 to pay costs of roadway improvement projects,
determined by the City Council to be transportation projects of regional
significance, that are designed to relieve congestion, enhance mobility and
manage traffic in the I-35, US 183, SH 71, RM 620, RM 1826, RM 2222,
FM 734 (Parmer), Lamar Boulevard, and Loop 360 corridors?

PART 4. The Proposition will appear on the official ballot in substantially the following
form, and the ballot shall be prepared to permit voting “for” or “against” the Proposition:

PROPOSITION

The issuance of $600,000,000 bonds and notes for rail systems, facilities and
infrastructure, including a fixed rail transit system to be operated by Capital
Metropolitan Transportation Authority (which may spend its funds to build,
operate and maintain such system) servicing the East Riverside Corridor,
downtown Austin, the State Capitol complex, the Medical School complex,
the University of Texas, Hancock Center, Austin Community College
Highland campus, and surrounding neighborhoods, and roadway
improvements related to such rail systems, facilities, and infrastructure;
provided that the City may not issue bonds or notes to pay costs of the fixed rail transit system (other than expenditures for planning, designing and engineering) unless (i) the City obtains grant or match funding or financial assistance for a portion of the cost of the fixed rail transit system from the Federal Transit Administration or one or more public or private sources and (ii) the City also provides funding in an amount of not less than $400,000,000 to pay costs of roadway improvement projects determined by the City Council to be transportation projects of regional significance that are designed to relieve congestion, enhance mobility and manage traffic in the I-35, US 183, SH 71, RM 620, RM 1826, RM 2222, FM 734 (Parmer), Lamar Boulevard, and Loop 360 corridors; and the levy of a tax sufficient to pay for the bonds and notes.

PART 5. As contemplated by the Locally Preferred Alternative contained in the 2014 Strategic Mobility Plan approved by Council on June 26, 2014, the fixed rail transit system is expected to consist of a 9.5 mile urban rail double-tracked, electrified route in mostly dedicated guideways. The general location of the proposed route of the fixed rail transit system is expected to run along a route that will serve the East Riverside Corridor, downtown Austin, the State Capitol complex, the Medical School complex, the University of Texas, Hancock Center, Austin Community College Highland campus, and surrounding neighborhoods. The general description of the form of the fixed rail transit system, including the general location of the proposed route, is provided herein pursuant to Section 451.071, Texas Transportation Code, to authorize Capital Metropolitan Transportation Authority to participate and to spend its funds in building, operating and maintaining the fixed rail transit system. The final alignment of the route may be adjusted to accommodate any required governmental approvals and to maximize service characteristics, including stop spacing, speed, frequency, and reliability. Capital Metropolitan Transportation Authority shall participate in building, operating and maintaining the fixed rail transit system to the extent and pursuant to such terms and conditions as shall be mutually acceptable to the City and Capital Metropolitan Transportation Authority.

PART 6. (a) The Council intends that funding for a portion of the costs of the fixed rail transit system will be obtained from other sources and, before the issuance of bonds or notes pursuant to the Proposition to acquire, construct, reconstruct, renovate, improve, operate, maintain or equip rail systems, facilities and infrastructure or to acquire land and interests in land and property necessary therefor, pay costs of the fixed rail transit system (other than expenditures for planning, designing and engineering), the City shall obtain one or more commitments for grant or match funding or financial assistance from the Federal Transit Administration or one or more public or private sources, which may include federal match funding, federal grant funding or federal reimbursements, in an amount that, when combined with proceeds of bonds and notes
authorized to be issued pursuant to the Proposition and any other sources of funding to be provided by the City, will be sufficient to fund the projected cost of the fixed rail transit system (or the portion thereof then identified for funding) according to the scope and budget of the fixed rail transit system (or the portion thereof then identified for funding) presented in a funding application or funding request submitted to the Federal Transit Administration, or any successor, replacement or alternate funding agency.

(b) In furtherance of the 2014 Strategic Mobility Plan’s guiding principles of adding capacity to the transportation network and building on previous mobility investments and in addition to the funding for rail systems, facilities and infrastructure contemplated by the Proposition, before bonds or notes may be issued pursuant to the Proposition to acquire, construct, reconstruct, renovate, improve, operate, maintain or equip rail systems, facilities and infrastructure or to acquire land and interests in land and property necessary therefor, the City shall provide funding in an amount of not less than $400,000,000 to pay costs of roadway improvement projects determined by the Council to be transportation projects of regional significance, that are designed to relieve congestion, enhance mobility and manage traffic in the I-35, US 183, SH 71, RM 620, RM 1826, RM 2222, FM 734 (Parmer), Lamar Boulevard, and Loop 360 corridors. Projects identified in the “Summary of 2014 Austin Strategic Mobility Plan and Proposed Funding” contained in the 2014 Strategic Mobility Plan are hereby determined to be transportation projects of regional significance that are designed to relieve congestion, enhance mobility and manage traffic in the I-35, US 183, SH 71, RM 620, RM 1826, RM 2222, FM 734 (Parmer), Lamar Boulevard, and Loop 360 corridors, and the costs of such projects may be counted toward the funding requirement contemplated by the Proposition and this Part 6(b); provided, however, that costs of the Central Corridor Urban Rail LPA shall not be counted toward the funding requirement for roadway improvements contemplated by the Proposition and this Part 6(b). In addition, the Council reserves the right in the future to designate as transportation projects of regional significance other roadway improvement projects that are designed to relieve congestion, enhance mobility and manage traffic in one or more of the I-35, US 183, SH 71, RM 620, RM 1826, RM 2222, FM 734 (Parmer), Lamar Boulevard, and Loop 360 corridors, and the costs of such projects may be counted toward the funding requirement for roadway improvements contemplated by the Proposition and this Part 6(b). The obligation to provide funding imposed by the Proposition and this Part 6(b) shall be deemed satisfied upon a determination by Council that the City has spent or appropriated funds in the cumulative amount of not less than $400,000,000 to pay costs of projects, or portions thereof, described by this Part 6(b) in the “Summary of 2014 Austin Strategic Mobility Plan and Proposed Funding” contained in the 2014 Strategic Mobility Plan. Council intends that funding in furtherance of such projects shall be provided by the City as soon as reasonably possible to advance the 2014 Strategic Mobility Plan’s guiding principles of
adding capacity to the transportation network and building on previous mobility investments.

(c) No bonds or notes shall be issued pursuant to the Proposition to acquire, construct, reconstruct, renovate, improve, operate, maintain or equip rail systems, facilities and infrastructure or to acquire land and interests in land and property necessary therefor to pay costs of the fixed rail transit system (other than expenditures for planning, designing and engineering) until the funding requirements set forth in subparts (a) and (b) of this Part 6 have been satisfied. Funding for roadway improvement projects contemplated by Part 6(b) is not contingent upon the issuance of bonds or notes to pay costs of the fixed rail transit system.

PART 7. Pursuant to Section 3.009, Texas Election Code: (i) the proposition language that will appear on the ballot is set forth in Part 4, (ii) the purposes for which the bonds and notes are to be authorized are set forth in Part 3, (iii) the principal amount of bonds and notes to be authorized is set forth in Part 3, (iv) if the issuance of bonds and notes is authorized by voters, taxes sufficient, within the limits prescribed by law, to pay the annual principal of and interest on the bonds and notes and to provide a sinking fund to pay the bonds and notes may be imposed, as set forth in Part 3, (v) bonds and notes authorized pursuant to this ordinance may be issued to mature over not to exceed 40 years from their date of issuance and bearing interest at the rate or rates (not to exceed 15%), as authorized by law and determined by the Council, (vi) as of the beginning of the City’s current fiscal year, the aggregate amount of outstanding principal of the City’s debt obligations was $1,141,790,000, and the aggregate amount of outstanding interest on the City’s debt obligations was $417,590,759, and (vii) the City’s ad valorem debt service tax rate as of the date of adoption of this ordinance is $0.1171 per $100 of taxable property.

Based upon market conditions as of the date of this ordinance and using taxable assessed values for the 2013 tax year (2013/14 fiscal year), without adjustment for anticipated growth in taxable assessed value in future years, if the bonds and notes are authorized, the estimated total tax rate of the City is expected to be approximately $0.6277 per $100 of taxable assessed value (which represents an increase of $0.1250 per $100 of taxable assessed valuation as compared to the City’s total tax rate as of the date of adoption of this ordinance), based on current State law, which is subject to change. As reported in the 2014 Strategic Mobility Plan, applying the assumptions used in the General Obligation Bond Capacity Analysis dated April 29, 2014, which includes forecasted growth in taxable assessed values, City financial staff has determined that (i), if the bonds and notes are issued, the City’s total tax rate would increase by $0.0625 per $100 of taxable assessed valuation (as compared to the City’s total tax rate as of the date of adoption of this ordinance) in connection with the issuance of the bonds and notes and
(ii) the City would remain in compliance with its debt related financial policies as a result of such increase in the tax rate. The foregoing estimates include the impact of any debt incurred to fund roadway improvement projects contemplated by Part 6(b).

If approved by voters, the bonds and notes will be secured by an ad valorem tax that is sufficient, within the limits prescribed by law, to pay the principal of and interest on the bonds and notes and to provide a sinking fund to pay the bonds and notes. Actual tax rates, interest rates, maturity dates, aggregate outstanding indebtedness and interest on such debt, will only be established and known at the time that bonds and notes are issued. In addition, actual tax rates will depend upon, among other factors, the assessed valuation of taxable property, prevailing interest rates, the market for the City's bonds and notes and general market conditions at the time that bonds and notes are issued.

The estimated tax rates and other statements contained in this Part 7 are (i) based on certain assumptions, including assumptions concerning prevailing market and economic conditions at the time(s) of issuance of the bonds and notes, (ii) subject to change to the extent that actual facts, circumstances and conditions prevailing at the time that bonds and notes are issued differ from such assumptions and projections, (iii) provided in satisfaction of the requirements of Section 3009, Texas Election Code, without any assurance that such projections will be realized, and (iv) not intended to give rise to a contract with voters or limit the authority of the Council to issue bonds and notes in accordance with the Proposition submitted herein.

PART 8. The election shall be conducted between the hours of 7:00 a.m. and 7:00 p.m. The precincts and locations of the election day polling places; the dates, hours, and locations of the early voting places; and the names of the officers appointed to conduct the election are provided in Exhibits A-G attached and incorporated as a part of this ordinance.

PART 9. A direct electronic recording voting system, as the term is defined in Title 8 of the Texas Election Code, shall be used for early voting and for voting conducted on election day. The central counting station is established at the Travis County Elections Division, 5501 Airport Boulevard, Austin, Texas.

PART 10. (a) Notice of this election shall be given by posting and publishing a copy of this ordinance in both English and Spanish. The notice and a copy of this ordinance shall be posted, in both English and Spanish, in three public places and at the City Hall notice kiosk not later than the 21st day before election day. The copy of the notice posted at City Hall shall be accompanied by a cover page, at the top of which shall appear the words "A MUNICIPAL GENERAL AND SPECIAL ELECTION, NOVEMBER 4, 2014." Notice of this election shall be published, not earlier than the 30th day before the date of the election, in a newspaper of general circulation on the same day in each of two
successive weeks, with the first publication occurring before the 14\textsuperscript{th} day before the date of the election.

(b) A copy of this ordinance shall be posted, in both English and Spanish, on election day and during early voting by personal appearance, in a prominent location at each polling place.

(c) This ordinance, together with the notice of election and the contents of the Proposition, shall be posted on the City’s website, in both English and Spanish, during the twenty-one (21) days before the election.

PART 11. In accordance with Chapter 271 of the Texas Election Code, the November 4, 2014 municipal election may be held jointly with the various political subdivisions that share territory with the City of Austin and that are holding elections on that day. The City Clerk may enter and sign joint election agreements with other political subdivisions for this purpose, and their terms as stated in the agreements are hereby adopted.

PART 12. This ordinance is adopted pursuant to the City Charter; pursuant to Section 41.001, Texas Election Code, specifying the date as a uniform election date on which a general election may be held; pursuant to Chapter 1251, Texas Government Code, to authorize the issuance of the City’s general obligation bonds and notes for the purposes stated herein; and pursuant to Section 451:071, Texas Transportation Code, to authorize the financial participation of Capital Metropolitan Transportation Authority in building, operating and maintaining the fixed rail transit system.

PART 13. The Council finds that the need to immediately begin required preparations for this election constitutes an emergency. Because of this emergency, this ordinance takes effect immediately on its passage for the immediate preservation of the public peace, health, and safety.

PASSED AND APPROVED

\[ \underline{\text{Lee Leffingwell}} \]
\[ \underline{\text{Mayor}} \]

APPROVED: \hspace{1cm} ATTEST:

Karen M. Kennard \hspace{1cm} Jannette S. Goodall
City Attorney \hspace{1cm} City Clerk

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