

AGENDA



Recommendation for Council Action

AUSTIN CITY COUNCIL
Regular Meeting: June 14, 2018

Item Number: **003**

Aviation

Approve an ordinance amending the Fiscal Year 2017-2018 Operating Budget for the Aviation Department Airport Capital Fund (Ordinance 20170913-001) to increase transfers out by \$25,000,000; and amending the Fiscal Year 2017-2018 Capital Budget (Ordinance No. 20170913-001) for Aviation to transfer in and appropriate \$25,000,000 for the purchase of an air freight and cargo facility leasehold interest and related improvements.

Lead Department	Aviation.
Fiscal Note	Funding in the amount of \$25,000,000 is available in a future issuance of debt. A Fiscal Note is attached.
Prior Council Action	Fiscal Year 2017-2018 Aviation Department Capital Budget (Ordinance No. 20170913-001).
For More Information	David Arthur, Assistant Director and Chief Financial Officer, (512) 530-6688.
Council Committee, Boards and Commission Action	To be reviewed by Airport Advisory Commission on June 12, 2018.

Additional Backup Information:

This request for council action seeks to amend the Aviation Department (Aviation) Capital Budget by

\$25,000,000. This action will allow Aviation to purchase a leasehold interest previously assigned to Lynxs Austin Cargoport LLC (Lynxs), along with related improvements, for an amount not to exceed \$17,850,000.

Aviation's purchase of Lynxs's leasehold interest, including the related improvements, enables Aviation to further support air freight and cargo development. Buildings acquired in this purchase may be utilized to accommodate additional needs of the Austin-Bergstrom International Airport (ABIA), including the use of the building as a receiving and distribution center for terminal tenants, as well as a storage and warehouse facility. Once the leasehold interest and improvements are acquired, ABIA might require additional improvements to the property, and the additional \$7,150,000 will ensure adequate funding for these potential improvements.