

AGENDA



Recommendation for Council Action

AUSTIN CITY COUNCIL

Regular Meeting: June 14, 2018

Item Number: **017**

Financial Services

Approve a resolution relating to the City Manager's recommended bond package for a November 2018 General Obligation Bond election.

Lead Department	Financial Services.
Fiscal Note	A fiscal note is not required
Prior Council Action	August 11, 2016 - Council approved Resolution No. 20160811-031 which created the Bond Election Advisory Task Force (BEATF) and provided direction related to a potential 2018 Bond.
For More Information	Carla Steffen, 512-404-4014, Katy Zamesnik, 512-974-2832

Additional Backup Information:

Council approved Resolution No. 20160811-031 which created the Bond Election Advisory Task Force (BEATF) and provided direction related to a potential 2018 Bond. Specifically, the BEATF was directed to “identify and prioritize bond funding for projects that will address infrastructure needs, including but not limited to needs related to flooding, libraries, housing, mobility, transit, parks, fire stations, and other unplanned, unfunded capital improvements. The work of the BEATF was directed to be open to the public; all meetings of the full Task Force were televised and the working group meeting dates were

published online for the public's benefit.

The BEATF was fully appointed by November 2017, and the first meeting was held in December 2016. The BEATF continued to meet in the Spring of 2017, hearing staff presentations on the basics of municipal debt, the bond process, and the role and responsibility of the BEATF in that process. The Task Force also elected a Chair and Vice Chair.

On June 16th, the BEATF received the Staff Initial Recommended Starting Point (Bond List) for the 2018 Bond. Staff's Bond List included \$640 million in programs and projects, from a department-submitted list of nearly \$3 billion. The Bond List was developed from six months of work by the Bond Coordination Team, in conjunction with department staff. The Bond Review Team, comprised of staff from Finance, Imagine Austin, Sustainability, Equity, and Capital Delivery, spent several weeks reviewing the submitted programs and projects from the departments, and applying their expertise to arrive at the final \$640 million list presented to the City Council and the BEATF.

The BEATF broke into five working groups based on the categories presented <http://www.austintexas.gov/edims/document.cfm?id=279199> by City Staff, and spent the next nine months reviewing the requests from the relevant city departments, and hearing from the public. In the fall of 2017, the BEATF held a series of eight interactive town halls and four listening sessions across the City to solicit input from the public on a possible November general obligation bond election. City staff also stood up an interactive bond spending activity online, as well as hosted a survey developed by the BEATF on SpeakUp! Austin. In total, the BEATF held 13 full Task Force meetings, and 66 working groups, in addition to the community engagement efforts noted above, for a total of over 140 hours of public meeting time.

The culmination of this work was an \$851 million bond package recommendation submitted to the Council on April 10, 2018. The detailed breakdown of this list may be seen in the BEATF's final report posted online at [austintexas.gov/2018bond](http://www.austintexas.gov/2018bond)

City staff reviewed the BEATF's 2018 Bond Recommendation totaling \$851 million that was presented to the Austin City Council on [April 10, 2018](http://www.austintexas.gov/2018bond)

<http://www.austintexas.gov/edims/document.cfm?id=296122> and in a report http://www.austintexas.gov/sites/default/files/files/Finance/CFO/2018-Bond/2018_Bond_Program_Staff_Update_Report_5_21_18.pdf released May 21, 2018, also available at [austintexas.gov/2018bond](http://www.austintexas.gov/2018bond), proposed changes to the Recommendation based on information received following the conclusion of BEATF's work. The changes result in a City staff recommended 2018 Bond Program of \$816 million. The decrease of \$35 million is a result of the following:

- Removal of \$31 million associated with three new fire stations. City staff recommend issuing Certificates of Obligation (COs) to fund the construction of these new fire stations.
- A decrease of \$4 million associated with repair/replacement of bridges. This adjustment is a result of the Capital Area Metropolitan Planning Organization's (CAMPO) decision not to provide matching funds for this effort in their latest round of funding for the 2019-2022 Transportation Improvement Program (TIP). As a result, City staff recommend including \$50.0 million in the 2018 Bond Program to address the repair/replacement of one bridge and will work to identify funding sources for the remaining bridge needs.

In light of the work done by the Bond Election Advisory Task Force, and taking into account the revisions suggested by City staff, the City Manager is proposing a bond package of \$816 million for a November 2018 bond election, broken down into the following draft propositions:

Proposition	Staff Update
Affordable Housing	\$161.0 M
Transportation/Mobility	\$176.0 M
Parks and Recreation	\$142.0 M
Stormwater and Open Space	\$184.0 M
Libraries & Cultural Centers	\$99.0 M
Public Safety	\$38.0 M
Health and Human Services	\$16.0 M
TOTAL	\$816.0 M