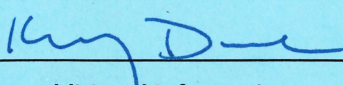



**TO: Mayor via City Secretary      REQUEST FOR COUNCIL ACTION**

<b>SUBJECT:</b> An ordinance ratifying and confirming Ordinance No. 2015-1004 relating to the Airport System Inferior Lien Appropriation Facility and the delegated authority to issue Airport System Inferior Lien Revenue Bonds in an aggregate principal amount not to exceed \$450 million to support and fund such Appropriation Facility based on the conditions and parameters approved by City Council pursuant to Ordinance No. 2015-1004.		<b>Category #</b>	<b>Page</b> 1 of <u>1</u>	<b>Agenda Item #</b>
<b>FROM (Department or other point of origin):</b> Finance Department and Office of City Controller		<b>Origination Date:</b> September 20, 2017		<b>Agenda Date</b>
<b>DIRECTOR'S SIGNATURE:</b>  		<b>Council District Affected:</b> All		
<b>For additional information contact:</b> Melissa Dubowski  <b>Phone:</b> 832-393-9101 Charisse Mosely <b>Phone:</b> 832-393-3529		<b>Date and identification of prior authorizing Council action:</b> Ordinance No. 2015-1004 – October 21, 2015 Ordinance No. 2016-0748 – October 6, 2016		
<b>RECOMMENDATION:</b> Approve an ordinance ratifying and confirming Ordinance No. 2015-1004 relating to the Airport System Inferior Lien Appropriation Facility and the delegated authority to issue Airport System Inferior Lien Revenue Bonds in one or more series in an aggregate principal amount not to exceed \$450 million to support and finance such Appropriation Facility based on the conditions and parameters approved by City Council pursuant Ordinance No. 2015-1004; authorizing the Mayor, the City Controller and/or certain other designated City Officials to approve the amount, interest rates, prices, and terms subject to such conditions and parameters; ratifying and confirming the execution and delivery of one or more bond purchase agreements and such other agreements relating to the Bonds.				
<b>Amount of Funding:</b> N/A      Not Applicable			<b>Finance Dept Budget:</b>	
<b>Source of Funding:</b> <input type="checkbox"/> General Fund <input type="checkbox"/> Grant Fund <input checked="" type="checkbox"/> Enterprise Fund <input type="checkbox"/> Other (Specify)				
<b>SPECIFIC EXPLANATION:</b>  Over the next five years, the Airport System's capital improvement plan expects to fund approximately \$2.05 billion in capital projects. These capital projects are projected to be funded with existing airport funds, grants, passenger facility charges, and airport revenue bonds. The Airport System anticipates substantial appropriation needs related to the Intercontinental Terminal Redevelopment Program (ITRP) beginning in FY2018, which will require additional appropriation and interim financing capacity.  On October 21, 2015, City Council approved Ordinance No. 2015-1004 which authorized a Forward Bond Purchase Agreement with RBC Capital Markets in an amount not to exceed \$450 million. The structure allows the City the flexibility to use the facility similarly to a commercial paper program, but at a reduced cost for undrawn purposes. The agreement with RBC has a term of 7 years, of which 5 years remain. During the term of this Appropriation Facility, City Council is annually required to ratify the Appropriation Facility and the authority to issue bonds. This RCA pertains to the annual ratification of the existing facility.  This transaction was presented to the Budget and Fiscal Affairs Committee on October 3 <sup>rd</sup> , 2017.  <u>Recommendation</u>  The Finance Working Group recommends approval of this transaction.				
<b>REQUIRED AUTHORIZATION</b>				
<b>Finance Department Director:</b>		<b>Other Authorization:</b>		<b>Other Authorization:</b>