



Legislation Text

File #: 20-539, **Version:** 1

STRATEGIC PRIORITY: Government Performance and Financial Management
AGENDA DATE: April 8, 2020
COUNCIL DISTRICT(S): N/A
DEPARTMENT: Office of Strategic Partnerships & Government Affairs
EXECUTIVE: Kimberly Bizer Tolbert

SUBJECT

Ordinances authorizing amendments to the Dallas Fort Worth International Airport Master Bond Ordinance, the 57th Supplemental Concurrent Bond Ordinance - Financing: No cost consideration to the City

BACKGROUND

The Dallas Fort Worth International Airport Board ("the Board") requests the owner cities of Dallas and Fort Worth to approve a Supplemental Concurrent Bond Ordinance ("SBO") to facilitate the Airport's financing needs.

The Airport has an opportunity to refinance airport revenue bonds to lower debt service payments in the future. The Airport Board is requesting the Owner Cities of Dallas and Fort Worth to issue airport revenue bonds in an amount not to exceed \$2.6 billion. Debt issued for DFW Airport is repaid from airport funds. The Owner Cities of Dallas and Fort Worth have no financial liability for these bonds.

DFW plans on refinancing about \$1 billion of Alternative Minimum Tax debt that is callable November 1, 2021 and \$1 billion of tax-exempt debt callable on November 1, 2020 in four separate transactions. DFW expects to save over \$450 million in debt service over the life of the bonds due to these refinancing. This ordinance also allows for the possible redemption of \$250 million of commercial paper and the advanced refunding of an incremental \$550 million of bonds if financially advantageous.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On August 24, 2016, City Council approved the 51st SBO authorizing the issuance of Dallas Fort Worth International Airport Joint Revenue Bonds, subject to certain parameters by Resolution No. 16-1336.

On August 23, 2017, City Council approved the 52nd SBO authorizing the issuance of Dallas Fort

Worth International Airport Joint Revenue Bonds, subject to certain parameters by Resolution No. 17-1298.

On May 22, 2019, City Council authorized amendments to the 53rd Supplemental SBO and the issuance of the 54th SBO by Resolution No. 19-0789; Ordinances 31216 and 31217.

On August 28, 2019, City Council approved the 55th SBO and 56th SBO by Resolution No. 19-1139; Ordinances 31290 and 31291.

FISCAL INFORMATION

No cost consideration to the City.