

Legislation Text

File #: 15-15169, Version: 1

Public Hearing on Airport 2021 General Airport Revenue Bonds and Bond Anticipation Notes

Action:

Hold a public hearing related to the issuance of revenue bonds not to exceed \$500,000,000 and revenue bond anticipation notes not to exceed \$300,000,000.

Staff Resource(s):

Haley Gentry, Aviation
Kelly Flannery, Finance

Explanation

- At its February 8, 2021 meeting, City Council authorized the application to the Local Government Commission for debt issuance to fund Aviation Capital Investment Plan projects and to refund existing debt and set this public hearing for General Airport Revenue Bonds (GARBs) expected to be issued in May 2021.
- The issuance of up to \$500,000,000 in revenue bonds is comprised of up to \$250,000,000 in GARBs to provide permanent financing for projects listed below, including expenses funded with short-term construction-period financing issued in 2019, and up to \$250,000,000 in refunding Series 2010A-B and Series 2011A-B for debt service savings.
- The new construction period financing program for up to \$300,000,000 in short-term notes is to provide financing for other projects that are in the design phase; it is expected that permanent financing for these projects will be secured in two to three years.
- The 2021 GARBs will provide long-term financing for the following or other similar projects which are part of the Aviation Capital Investment Plan:
 - Terminal Lobby Expansion,
 - Concourse E Expansion,
 - Central Energy Plant,
 - Atrium Life Safety, and
 - Field Maintenance Building Renovation.
- The 2021 Bond Anticipation Notes will provide short-term financing for the following or other similar projects:
 - Concourse A Expansion Phase 2,
 - Terminal Lobby Expansion,
 - Terminal Lobby Roof,
 - Terminal Lobby Canopy,
 - North End Around Taxiway and Relocation,
 - Taxiway F Extension, Deice Pad, and Taxiway South Cross Field, and
 - Concourse E Dual Taxilanes.
- Long and short-term financing authorized by these actions is secured by Airport revenue, and the Airport's signatory airlines have approved the projects.
- Prior to issuing this debt, a third-party feasibility study will be completed to indicate that sufficient revenues are forecasted to be available to repay the debt.
- With the City Council approval, it is anticipated the Local Government Commission will approve this action at its April meeting.
- Internal Revenue Service regulations require a public hearing on new, tax-exempt, debt-funded

projects.

- In compliance with NC G.S. 166A-19.24. *Remote meetings during certain declarations of emergency*, written comments on the public hearing topic will be accepted by the Clerk's Office through February 23, 2021, at 11:59 p.m. Any additional comments received will be provided to Council.

Fiscal Note

Funding: Airport Debt Service Fund