

ORDINANCE NO.

1 AN ORDINANCE ORDERING A GENERAL MUNICIPAL ELECTION TO BE
2 HELD IN THE CITY OF AUSTIN ON NOVEMBER 4, 2014, FOR THE
3 PURPOSE OF ELECTING A MAYOR (AT LARGE) AND CITY COUNCIL
4 MEMBERS (SINGLE MEMBER DISTRICTS) FOR DISTRICT 1, DISTRICT 2,
5 DISTRICT 3, DISTRICT 4, DISTRICT 5, DISTRICT 6, DISTRICT 7, DISTRICT
6 8, DISTRICT 9, AND DISTRICT 10; ORDERING A SPECIAL ELECTION FOR
7 THE PURPOSE OF AUTHORIZING THE ISSUANCE OF GENERAL
8 OBLIGATION BONDS; PROVIDING FOR THE CONDUCT OF THE
9 ELECTION; AUTHORIZING THE CITY CLERK TO ENTER INTO JOINT
10 ELECTION AGREEMENTS WITH OTHER LOCAL POLITICAL
11 SUBDIVISIONS AS MAY BE NECESSARY FOR THE ORDERLY CONDUCT
12 OF THE ELECTION; AND DECLARING AN EMERGENCY.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

14 PART 1. A general municipal election shall be held in the City of Austin on November
15 4, 2014. At the election there shall be elected by the qualified voters of the City a Mayor
16 (at large) and City Council Members (single member districts) for District 1, District 2,
17 District 3, District 4, District 5, District 6, District 7, District 8, District 9, and District 10.
18 The candidates for Mayor shall meet all requirements and shall be residents of the City of
19 Austin, and shall be elected by majority vote of the City at large. The candidates for
20 Districts 1 through 10 shall meet all requirements and shall be residents of their
21 respective districts, and shall be elected by majority vote of voters residing in each
22 respective district.

23 PART 2. A special election shall be held in the City of Austin on November 4, 2014. At
24 the election the voters shall consider the issuance of general obligation bonds.

25 PART 3. The Council establishes that the following bond proposition shall be presented
26 to the voters at the special bond election on November 4, 2014:

PROPOSITION

28 Shall the City Council of the City of Austin, Texas be authorized to issue
29 general obligation bonds and notes of the City for transportation and
30 mobility purposes, to wit: planning, designing, engineering, acquiring,
31 constructing, reconstructing, renovating, improving, operating, maintaining
32 and equipping rail systems, facilities, and infrastructure, including a fixed
33 rail transit system to be operated by Capital Metropolitan Transportation
34 Authority (which may spend its funds to build, operate and maintain such

1 system) servicing the East Riverside Corridor, downtown Austin, the State
2 Capitol complex, the Medical School complex, the University of Texas,
3 Hancock Center, Austin Community College Highland campus, and
4 surrounding neighborhoods; roadway improvements related to such rail
5 systems, facilities and infrastructure; acquiring land and interests in land and
6 property necessary therefor; and all matters necessary or incidental thereto;
7 with the bonds and notes to be issued in one or more series or issues, in the
8 aggregate principal amount of \$600,000,000, to mature serially or otherwise
9 and bear interest at a rate or rates not to exceed the respective limits
10 prescribed by law at the time of issuance, and to be sold at the price or prices
11 as the City Council determines and shall there be levied and pledged,
12 assessed, and collected annually ad valorem taxes on all taxable property in
13 the City in an amount sufficient to pay the annual interest on the bonds and
14 notes and to provide a sinking fund to pay the bonds and notes at maturity;
15 provided, however, that no bonds or notes shall be issued to acquire,
16 construct, reconstruct, renovate, improve, operate, maintain or equip rail
17 systems, facilities and infrastructure or to acquire land and interests in land
18 and property necessary therefor pay costs of the fixed rail transit system
19 (other than expenditures for planning, designing and engineering) unless (i)
20 the City obtains one or more commitments for grant or match funding or
21 financial assistance from the Federal Transit Administration or one or more
22 public other federal or private state sources for a portion of the cost of the
23 fixed rail transit system and (ii) the City also provides funding in an amount
24 of not less than \$400,000,000 to pay costs of roadway improvement projects;
25 determined by the City Council to be transportation projects of regional
26 significance, that are designed to relieve congestion, enhance mobility and
27 manage traffic in the I-35, US 183, SH 71, RM 620, RM 1826, RM 2222,
28 FM 734 (Parmer), Lamar Boulevard, and Loop 360 corridors?

29 **PART 4.** The Proposition will appear on the official ballot in substantially the following
30 form, and the ballot shall be prepared to permit voting "for" or "against" the Proposition:

31 **PROPOSITION**

32 The issuance of \$600,000,000 bonds and notes for rail systems, facilities and
33 infrastructure, including a fixed rail transit system to be operated by Capital
34 Metropolitan Transportation Authority (which may spend its funds to build,
35 operate and maintain such system) servicing the East Riverside Corridor,
36 downtown Austin, the State Capitol complex, the Medical School complex,
37 the University of Texas, Hancock Center, Austin Community College
38 Highland campus, and surrounding neighborhoods, and roadway
39 improvements related to such rail systems, facilities, and infrastructure;

1 provided that the City may not issue bonds or notes to pay costs of the fixed
2 rail transit system (other than expenditures for planning, designing and
3 engineering) unless (i) the City obtains grant or match funding or financial
4 assistance for a portion of the cost of the fixed rail transit system from the
5 Federal Transit Administration or one or more public other federal or
6 private state sources and (ii) the City also provides funding in an amount of
7 not less than \$400,000,000 to pay costs of roadway improvement projects;
8 determined by the City Council to be transportation projects of regional
9 significance, that are designed to relieve congestion, enhance mobility and
10 manage traffic in the I-35, US 183, SH 71, RM 620, RM 1826, RM 2222,
11 FM 734 (Parmer), Lamar Boulevard, and Loop 360 corridors; and the levy
12 of a tax sufficient to pay for the bonds and notes.

13 **PART 5.** As contemplated by the Locally Preferred Alternative contained in the 2014
14 Strategic Mobility Plan approved by Council on June 26, 2014, the fixed rail transit
15 system is expected to consist of a 9.5 mile urban rail double-tracked, electrified route in
16 mostly dedicated guideways. The general location of the proposed route of the fixed rail
17 transit system is expected to run along a route that will serve the East Riverside Corridor,
18 downtown Austin, the State Capitol complex, the Medical School complex, the
19 University of Texas, Hancock Center, Austin Community College Highland campus, and
20 surrounding neighborhoods. The general description of the form of the fixed rail transit
21 system, including the general location of the proposed route, is provided herein pursuant
22 to Section 451.071, Texas Transportation Code, to authorize Capital Metropolitan
23 Transportation Authority to participate and to spend its funds in building, operating and
24 maintaining the fixed rail transit system. The final alignment of the route may be
25 adjusted to accommodate any required governmental approvals and to maximize service
26 characteristics, including stop spacing, speed, frequency, and reliability. Capital
27 Metropolitan Transportation Authority shall participate in building, operating and
28 maintaining the fixed rail transit system to the extent and pursuant to such terms and
29 conditions as shall be mutually acceptable to the City and Capital Metropolitan
30 Transportation Authority.

31 **PART 6. (a)** The Council intends that funding for a portion of the costs of the fixed rail
32 transit system will be obtained from other sources and, before the issuance of bonds or
33 notes pursuant to the Proposition to ~~acquire, construct, reconstruct, renovate, improve,~~
34 ~~operate, maintain or equip rail systems, facilities and infrastructure or to acquire land and~~
35 ~~interests in land and property necessary therefor~~ pay costs of the fixed rail transit system
36 (other than expenditures for planning, designing and engineering), the City shall obtain
37 one or more commitments for grant or match funding or financial assistance from the
38 Federal Transit Administration or one or more public other federal or private state sources,
39 which may include federal match funding, federal grant funding or federal
40 reimbursements, in an amount that, when combined with proceeds of bonds and notes

1 authorized to be issued pursuant to the Proposition and any other sources of funding to be
2 provided by the City, will be sufficient to fund the projected cost of the fixed rail transit
3 system (or the portion thereof then identified for funding) according to the scope and
4 budget of the fixed rail transit system (or the portion thereof then identified for funding)
5 presented in a funding application or funding request submitted to the Federal Transit
6 Administration, or any successor, replacement or alternate funding agency.

7 (b) In furtherance of the 2014 Strategic Mobility Plan's guiding principles of adding
8 capacity to the transportation network and building on previous mobility investments and
9 in addition to the funding for rail systems, facilities and infrastructure contemplated by
10 the Proposition, before bonds or notes may be issued pursuant to the Proposition to
11 ~~acquire, construct, reconstruct, renovate, improve, operate, maintain or equip rail~~
12 ~~systems, facilities and infrastructure or to acquire land and interests in land and property~~
13 ~~necessary therefor~~ pay costs of the fixed rail transit system (other than expenditures for
14 planning, designing and engineering), the City shall provide funding in an amount of not
15 less than \$400,000,000 to pay costs of roadway improvement projects, determined by the
16 Council to be transportation projects of regional significance, that are designed to relieve
17 congestion, enhance mobility and manage traffic in the I-35, US 183, SH 71, RM 620,
18 RM 1826, RM 2222, FM 734 (Parmer), Lamar Boulevard, and Loop 360 corridors.
19 Projects identified in the "Summary of 2014 Austin Strategic Mobility Plan and Proposed
20 Funding" contained in the 2014 Strategic Mobility Plan are hereby determined to be
21 transportation projects of regional significance that are designed to relieve congestion,
22 enhance mobility and manage traffic in the I-35, US 183, SH 71, RM 620, RM 1826, RM
23 2222, FM 734 (Parmer), Lamar Boulevard, and Loop 360 corridors, and the costs of such
24 projects may be counted toward the funding requirement contemplated by the Proposition
25 and this Part 6(b); provided, however, that costs of the Central Corridor Urban Rail LPA
26 shall not be counted toward the funding requirement for roadway improvements
27 contemplated by the Proposition and this Part 6(b). ~~In addition, the Council reserves the~~
28 ~~right in the future to designate, as transportation projects of regional significance, other~~
29 ~~roadway improvement projects that are designed to relieve congestion, enhance mobility~~
30 ~~and manage traffic in one or more of the I-35, US 183, SH 71, RM 620, RM 1826, RM~~
31 ~~2222, FM 734 (Parmer), Lamar Boulevard, and Loop 360 corridors, and the costs of such~~
32 ~~projects may be counted toward the funding requirement for roadway improvements~~
33 ~~contemplated by the Proposition and this Part 6(b).~~ The obligation to provide funding
34 imposed by the Proposition and this Part 6(b) shall be deemed satisfied upon a
35 determination by Council that the City has spent or appropriated funds in the cumulative
36 amount of not less than \$400,000,000 to pay costs of projects, or portions thereof,
37 described by this Part 6(b) in the "Summary of 2014 Austin Strategic Mobility Plan and
38 Proposed Funding" contained in the 2014 Strategic Mobility Plan. Council intends that
39 funding in furtherance of such projects shall be provided by the City as soon as
40 reasonably possible to advance the 2014 Strategic Mobility Plan's guiding principles of

1 adding capacity to the transportation network and building on previous mobility
2 investments.

3 (c) No bonds or notes shall be issued pursuant to the Proposition to ~~acquire, construct,~~
4 ~~reconstruct, renovate, improve, operate, maintain or equip rail systems, facilities and~~
5 ~~infrastructure or to acquire land and interests in land and property necessary therefor~~ pay
6 costs of the fixed rail transit system (other than expenditures for planning, designing and
7 engineering) until the funding requirements set forth in subparts (a) and (b) of this Part 6
8 have been satisfied. Funding for roadway improvement projects contemplated by Part
9 6(b) is not contingent upon the issuance of bonds or notes to pay costs of the fixed rail
10 transit system.

11 **PART 7.** Pursuant to Section 3.009, Texas Election Code: (i) the proposition language
12 that will appear on the ballot is set forth in Part 4; (ii) the purposes for which the bonds
13 and notes are to be authorized are set forth in Part 3; (iii) the principal amount of bonds
14 and notes to be authorized is set forth in Part 3; (iv) if the issuance of bonds and notes is
15 authorized by voters, taxes sufficient, within the limits prescribed by law, to pay the
16 annual principal of and interest on the bonds and notes and to provide a sinking fund to
17 pay the bonds and notes may be imposed, as set forth in Part 3; (v) bonds and notes
18 authorized pursuant to this ordinance may be issued to mature over not to exceed 40
19 years from their date of issuance and bearing interest at the rate or rates (not to exceed
20 15%), as authorized by law and determined by the Council; (vi) as of the beginning of the
21 City's current fiscal year, the aggregate amount of outstanding principal of the City's
22 debt obligations was \$1,141,790,000, and the aggregate amount of outstanding interest on
23 the City's debt obligations was \$417,590,759, and (vii) the City's ad valorem debt service
24 tax rate as of the date of adoption of this ordinance is \$0.1171 per \$100 of taxable
25 property.

26 Based upon market conditions as of the date of this ordinance and using taxable assessed
27 values for the 2013 tax year (2013/14 fiscal year), without adjustment for anticipated
28 growth in taxable assessed value in future years, if the bonds and notes are authorized,
29 the estimated total tax rate of the City is expected to be approximately \$0.6277 per \$100
30 of taxable assessed value (which represents an increase of \$0.1250 per \$100 of taxable
31 assessed valuation as compared to the City's total tax rate as of the date of adoption of
32 this ordinance), based on current State law, which is subject to change. As reported in
33 the 2014 Strategic Mobility Plan, applying the assumptions used in the General
34 Obligation Bond Capacity Analysis dated April 29, 2014, which includes forecasted
35 growth in taxable assessed values, City financial staff has determined that (i) if the bonds
36 and notes are issued, the City's total tax rate would increase by \$0.0625 per \$100 of
37 taxable assessed valuation (as compared to the City's total tax rate as of the date of
38 adoption of this ordinance) ~~in connection with the issuance of the bonds and notes and~~

1 ~~(ii) the City would remain in compliance with its debt related financial policies as a result~~
2 ~~of such increase in the tax rate.~~ The foregoing estimates include the impact of any debt
3 incurred to fund roadway improvement projects contemplated by Part 6(b).

4 If approved by voters, the bonds and notes will be secured by an ad valorem tax that is
5 sufficient, within the limits prescribed by law, to pay the principal of and interest on the
6 bonds and notes and to provide a sinking fund to pay the bonds and notes. Actual tax
7 rates, interest rates, maturity dates, aggregate outstanding indebtedness and interest on
8 such debt, will only be established and known at the time that bonds and notes are issued.
9 In addition, actual tax rates will depend upon, among other factors, the assessed valuation
10 of taxable property, prevailing interest rates, the market for the City's bonds and notes
11 and general market conditions at the time that bonds and notes are issued.

12 The estimated tax rates and other statements contained in this Part 7 are (i) based on
13 certain assumptions, including assumptions concerning prevailing market and economic
14 conditions at the time(s) of issuance of the bonds and notes, (ii) subject to change to the
15 extent that actual facts, circumstances and conditions prevailing at the time that the bonds
16 and notes are issued differ from such assumptions and projections, (iii) provided in
17 satisfaction of the requirements of Section 3-009, Texas Election Code, without any
18 assurance that such projections will be realized, and (iv) not intended to give rise to a
19 contract with voters or limit the authority of the Council to issue bonds and notes in
20 accordance with the Proposition submitted herein.

21 **PART 8.** The election shall be conducted between the hours of 7:00 a.m. and 7:00 p.m.
22 The precincts and locations of the election day polling places; the dates, hours, and
23 locations of the early voting places; and the names of the officers appointed to conduct
24 the election are provided in Exhibits A-G attached and incorporated as a part of this
25 ordinance.

26 **PART 9.** A direct electronic recording voting system, as the term is defined in Title 8 of
27 the Texas Election Code, shall be used for early voting and for voting conducted on
28 election day. The central counting station is established at the Travis County Elections
29 Division, 5501 Airport Boulevard, Austin, Texas.

30 **PART 10.** (a) Notice of this election shall be given by posting and publishing a copy of
31 this ordinance in both English and Spanish. The notice and a copy of this ordinance shall
32 be posted, in both English and Spanish, in three public places and at the City Hall notice
33 kiosk not later than the 21st day before election day. The copy of the notice posted at
34 City Hall shall be accompanied by a cover page, at the top of which shall appear the
35 words "A MUNICIPAL GENERAL AND SPECIAL ELECTION, NOVEMBER 4,
36 2014." Notice of this election shall be published, not earlier than the 30th day before the
37 date of the election, in a newspaper of general circulation on the same day in each of two

1 successive weeks, with the first publication occurring before the 14th day before the date
2 of the election.

3 (b) A copy of this ordinance shall be posted, in both English and Spanish, on election
4 day and during early voting by personal appearance, in a prominent location at each
5 polling place.

6 (c) This ordinance, together with the notice of election and the contents of the
7 Proposition, shall be posted on the City's website, in both English and Spanish, during
8 the twenty-one (21) days before the election.

9 **PART 11.** In accordance with Chapter 271 of the Texas Election Code, the November 4,
10 2014 municipal election may be held jointly with the various political subdivisions that
11 share territory with the City of Austin and that are holding elections on that day. The
12 City Clerk may enter and sign joint election agreements with other political subdivisions
13 for this purpose, and their terms as stated in the agreements are hereby adopted.

14 **PART 12.** This ordinance is adopted pursuant to the City Charter; pursuant to Section
15 41.001, Texas Election Code, specifying the date as a uniform election date on which a
16 general election may be held; pursuant to Chapter 1251, Texas Government Code, to
17 authorize the issuance of the City's general obligation bonds and notes for the purposes
18 stated herein; and pursuant to Section 451.071, Texas Transportation Code, to authorize
19 the financial participation of Capital Metropolitan Transportation Authority in building,
20 operating and maintaining the fixed rail transit system.

21 **PART 13.** The Council finds that the need to immediately begin required preparations
22 for this election constitutes an emergency. Because of this emergency, this ordinance
23 takes effect immediately on its passage for the immediate preservation of the public
24 peace, health, and safety.

25
26 **PASSED AND APPROVED**

27
28 §
29 §
30 _____, 2014 § _____
31 Lee Leffingwell
32 Mayor
33
34

35 **APPROVED:** _____
36 Karen M. Kennard
37 City Attorney

ATTEST: _____
Jannette S. Goodall
City Clerk