



City of Austin

Recommendation for Action

File #: 24-4043, **Agenda Item #:** 44.

2/15/2024

Posting Language

Authorize the City to file a bond validation lawsuit related to the issuance of bonds that will be used to finance Project Connect and approve a resolution authorizing execution of an Amended and Restated Interlocal Cooperation Agreement with the Austin Transit Partnership (ATP) and amendments to the Joint Powers Agreement between the City, ATP, and Capital Metropolitan Transportation Authority (Cap Metro); and approving amendments to ATP's articles of incorporation and bylaws.

Lead Department

Financial Services Department.

Fiscal Note

This item has no fiscal impact.

Prior Council Action:

May 5, 2022 - Council approved Resolution No. 20220505-033 adopting amendments to ATP's articles of incorporation and certificate of formation.

December 8, 2022 - Council approved Resolution No. 20221208-074 adopting amendments to ATP's articles of incorporation.

June 1, 2023 - Council approved Resolution No. 20230601-072 amending the Joint Powers Agreement with ATP and Cap Metro.

For More Information:

Ed Van Eenoo, Chief Financial Officer - 512-974-2638; Meghan Riley, Division Chief, Law Department - 512-974-2458.

Additional Backup Information:

In 2020, voters approved a tax rate increase to provide funds for a citywide traffic-easing rapid transit system known as Project Connect.

Staff recommends the execution of the Amended and Restated Interlocal Cooperation Agreement (the Funding ILA) to clarify the procedures for the transfer of Project Connect tax revenue to ATP and amendments to the Joint Powers Agreement to clarify terms related to the Funding ILA. The Amended and Restated Funding ILA and amendments to the Joint Powers Agreement to be executed are included as backup to this item.

Staff also recommends the approval of amendments to ATP's articles of incorporation and bylaws, also included as backup to this item, to address ATP's operations and clarify ATP's purposes and powers.

Finally, staff recommends filing a bond validation lawsuit to support the implementation of Project Connect.