Approve a resolution directing the City Manager to incorporate a six-year bond cycle as a foundational consideration in bond-program development consistent with the City's financial policies beginning in Fiscal Year 2028 and reporting back to Council.

RESOLUTION NO.

WHEREAS, the City Council adopted General Obligation Debt Financial Policies in Fiscal Year ("FY") 2027 (the "Financial Policies") providing that the timing of general obligation bond elections will be determined by the inventory of authorized but unissued bonds remaining to be sold, with an estimated two years of authorized but unissued bonds remaining before an election is held; and

WHEREAS, the Financial Policies further provide that the total dollar amount of bond election propositions recommended to the voters will not exceed the City's estimated ability to issue such bonds within a normal six-year period; and

WHEREAS, Austin Capital Delivery Services ("CDS") reported to the City Council in May 2024 that recent bond programs were taking longer to complete than the City Council's typical bond-cycle goals, and identified project-development and delivery-capacity challenges, including insufficient project scoping and off-cycle, single-proposition elections, as factors contributing to longer completion schedules; and

WHEREAS, CDS subsequently developed an Integrated Bond Program Development and Delivery Plan intended to better integrate project development and project delivery, including sufficiently developing project scopes, schedules, budgets, risks, and delivery requirements before voter approval, with the stated objective of achieving six-year bond cycles; and

WHEREAS, CDS has identified a consistent and predictable bond-election cycle as an objective that can support better planning, prioritization, and

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community participation, while avoiding the delivery pressures associated with off-cycle, single-proposition elections; and

WHEREAS, the City's current 2026 General Obligation Bond Program development process is expressly being undertaken with the objective of addressing the City's infrastructure needs through a predictable six-year bond cycle and includes needs assessment, project prioritization, community engagement, and evaluation of delivery capacity; and

WHEREAS, maintaining a predictable bond cycle can provide a recurring framework for identifying capital needs, developing and prioritizing projects, evaluating debt capacity and delivery capacity, engaging the public, and preparing future bond propositions consistent with the Financial Policies;

NOW, THEREFORE,

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

The City Manager is directed to prioritize returning the City to a consistent and predictable six-year cycle for general obligation bond elections, consistent with the Financial Policies and subject to applicable fiscal, legal, debt-capacity, and voter-approval requirements.

BE IT FURTHER RESOLVED:

The City Manager should coordinate with CDS, Austin Financial Services, and other appropriate City departments as deemed appropriate in his discretion, to incorporate the six-year bond cycle as a foundational consideration in capital improvement planning and future general obligation bond-program development. Said six-year bond cycle will begin with a FY2028 omnibus bond proposal that will adequately account for sufficient capital improvement projects for transportation and mobility, parks and recreation, affordable housing, library and

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cultural facilities, public health and safety facilities, watershed protection and drainage, and any other priorities permissible under applicable state law. The six-year bond cycle will continue with a FY2034 omnibus bond proposal that will adequately account for sufficient capital improvement projects for transportation and mobility, parks and recreation, affordable housing, library and cultural facilities, public health and safety facilities, watershed protection and drainage, and any other priorities permissible under applicable state law.

BE IT FURTHER RESOLVED:

The City Manager will prioritize an integrated bond-program development and delivery process that: develops project scopes, schedules, budgets, risks, and delivery requirements sufficiently in advance of a bond election; evaluates project readiness and anticipated delivery capacity; coordinates bond planning with departmental asset-management plans, strategic plans, long-range plans, and other capital programs; evaluates opportunities to coordinate or leverage funding with City utilities and regional partners where appropriate; and incorporates meaningful City Council and community engagement into the development and prioritization of future bond programs.

BE IT FURTHER RESOLVED:

The City Manager will minimize the need for off-cycle, single-proposition general obligation bond elections when doing so is consistent with the Financial Policies, financial condition, capital needs, debt capacity, and applicable law.

BE IT FURTHER RESOLVED:

The City Manager will establish and maintain a forward-looking bond-program planning schedule designed to identify, sufficiently in advance, the

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anticipated timing of future general obligation bond elections and the development activities necessary to support a six-year cycle.

BE IT FURTHER RESOLVED:

The City Manager will provide the City Council with an annual report on progress toward maintaining the six-year bond cycle, including, as applicable: the status of authorized but unissued general obligation bonds; projected bond issuance capacity and timing; the status of projects within existing bond programs; project development and readiness for the next anticipated bond program; anticipated capital-delivery capacity; significant changes affecting the timing or size of a future bond election; and any recommended adjustments necessary to maintain alignment with the Financial Policies.

ADOPTED: _____, 2026 **ATTEST:** _____

Erika Brady
City Clerk

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