



# CITY OF SANTA BARBARA

## FINANCE COMMITTEE AGENDA REPORT

**AGENDA DATE:** March 11, 2008  
**TO:** Finance Committee  
**FROM:** Airport Administration  
**SUBJECT:** Airline Terminal Improvement Project Funding

### RECOMMENDATION:

That Finance Committee hear a report on the preliminary financing plan for the Airline Terminal Improvement Project.

### DISCUSSION:

On December 11, 2007, staff and the Airport's financial consultant, Jacobs Consultancy (formerly Leigh Fisher Associates), presented the Committee with an update on the Airline Terminal Improvement Project feasibility analysis including project costs, financing sources and current project schedule.

Staff and the City's financial advisor, Kelling, Northcross & Nobriga (KNN), requested that the City's underwriter, Morgan Stanley, take the Jacobs feasibility study and conduct a sensitivity analysis of funding the City's Airport projects. Morgan Stanley evaluated two approaches including traditional general airport revenue bonds (GARB) and a lease financing paid by airport revenues but with a General Fund backing.

David Brodsly, Managing Director of KNN Public Finance, will present the report and be available for questions.

**PREPARED BY:** Hazel Johns, Assistant Airport Director

**SUBMITTED BY:** Karen Ramsdell, Airport Director

**APPROVED BY:** City Administrator's Office

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REVIEWED BY: \_\_\_\_\_ Finance \_\_\_\_\_ Attorney

Agenda Item No. \_\_\_\_\_