



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: March 11, 2008
TO: Mayor and Councilmembers
FROM: Administration Division, Airport Department
SUBJECT: Reimbursement Of Airport Capital Expenditures From Future Proceeds Of Debt For The Joint Use Rental Car Quick Turn Area Maintenance Facility

RECOMMENDATION:

That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Declaring its Official Intent to Reimburse Certain Airport Capital Expenditures from Proceeds of Indebtedness for the Construction of the Joint Use Rental Car Maintenance Facility.

DISCUSSION:

On November 15, 2005, Council approved a resolution establishing a "customer facility charge (CFC)" in the amount of ten dollars per rental car contract to be imposed by and collected by all rental car companies operating on the Airport. The purpose of the CFC was to finance the design and construction of a joint-use rental car maintenance and storage facility.

The attached Resolution will permit the City to reimburse itself for project expenditures incurred for the Joint Use Rental Car Quick Turn Area Maintenance Facility from a subsequent bond issue. This is strictly a procedural action. As the Resolution indicates, this action does not bind the City to make any expenditure, incur any indebtedness or proceed with the project.

The Resolution Exhibit lists the anticipated projects with preliminary cost estimates which costs have been liberally estimated in order to ensure that the amount of any subsequent bond issue does not exceed preliminary estimates by any significant amount. This is important in order to meet the letter and intent of the federal tax laws and regulations governing these matters.

Because, as stated above, adoption of the attached Resolution does not commit the City to any course of action and is strictly administrative in nature, Staff recommends adoption.

PREPARED BY: Hazel Johns, Assistant Airport Director

SUBMITTED BY: Karen Ramsdell, Airport Director

APPROVED BY: City Administrator's Office

REVIEWED BY: _____ Finance _____ Attorney

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