



To the Mayor and Members of the City Council

March 22, 2022

Page 1 of 1

SUBJECT: DALLAS FORT WORTH INTERNATIONAL AIRPORT BOND FINANCING PACKAGE

Dallas Fort Worth International Airport (DFW) is seeking approval of two new bond ordinances from the Owner Cities of Dallas and Fort Worth to refinance some debt, and position DFW to fund certain capital projects. DFW expects a robust return of travel this summer and plans to take action in preparation for increased customer loads. The Board is seeking authority to: (i) refund existing bonds, Subordinate Lien Bonds and outstanding commercial paper; and (ii) issue new money bonds to finance Terminal C and other aging infrastructure, assuming rates are good as shown in the table below.

Action Item	Amount	Summary
63rd Supplemental Bond Ordinance	\$3.65 billion	This is DFW's annual debt financing request for the following items: (1) refund bond series 2013B, 2013E, 2014A, 2014D and 2014E, Subordinate Lien Drawdown Bonds, outstanding commercial paper and issue \$1 billion of new money bonds for a total of \$1.96 billion; (2) potentially refund bond series 2013D, 2013F, 2013G and 2014C totaling \$690 million, assuming market conditions are favorable; and (3) issue up to an addition \$1 billion in new money bonds, assuming market conditions are favorable.
64th Supplemental Bond Ordinances	\$750 million	This is the annual request to provide DFW with the ability to refund commercial paper with long term bonds. The program approved by the Owner Cities in 2019 requires the Airport to request this authorization annually.

These items were briefed to the Airport Board on February 3, 2022. The Airport Board approved the two ordinances at its March 3, 2022 meeting. The Owner City Approval schedule is below:

March 22 – Fort Worth City Council Work Session Briefing (via Informal Report)

March 28 – Briefing to the Government Performance and Financial Management Committee of the Dallas City Council

March 29 – Fort Worth City Council Agenda Meeting

April 13 – Dallas City Council Agenda Meeting

For more information, please contact John Samford, Fort Worth City Treasurer, at 817-392-2318 or Chris Poinsett, DFW Airport Executive Vice President and Chief Financial Officer at 972-973-5210 or via email at capoinsett@dfwairport.com.

David Cooke
City Manager

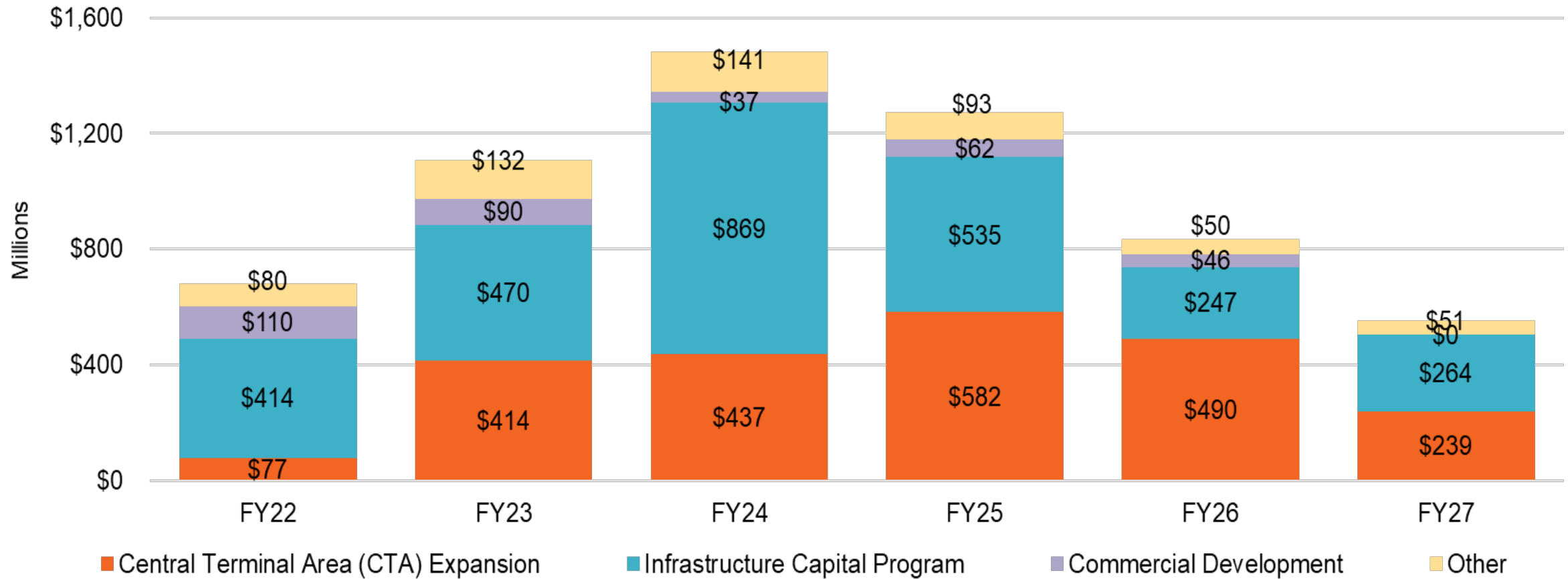
DFW International Airport 63rd and 64th Supplemental Bond Ordinances

March 22, 2022

Fort Worth City Council

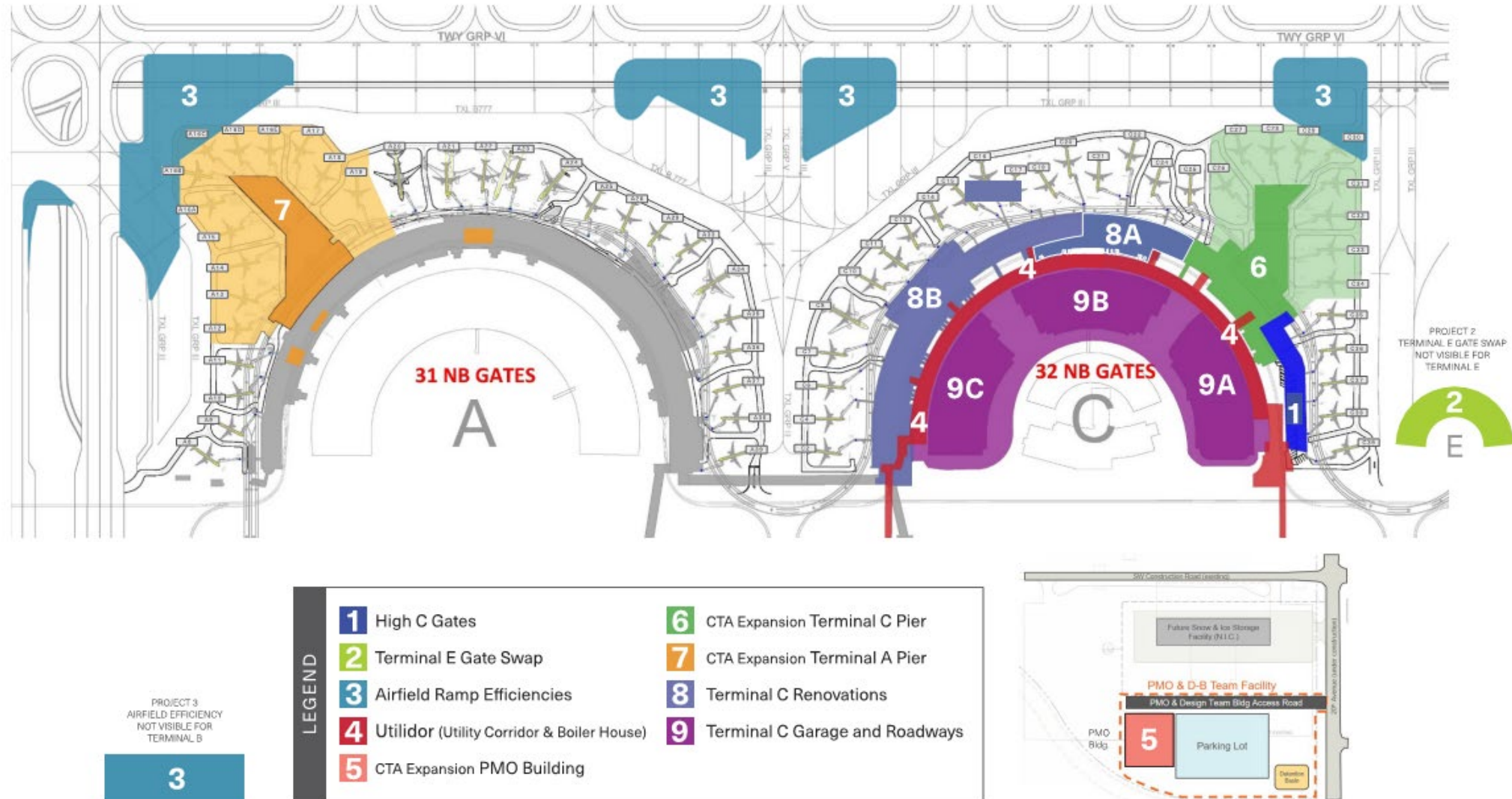
Capital Improvement Program – FY22 to FY27

DFW's Capital Program is currently projected at \$5.9 billion through FY 2027.



Central Terminal Area Expansion Program

Currently programmed at \$2.3 billion through FY 2027.



Sixty-Third Supplemental Bond Ordinance

PURPOSE

Approve the Sixty-Third Supplemental Bond Ordinance allowing the Authorized Officer to issue up to \$3.65 billion of bonds and take other necessary actions for one year.

DESCRIPTION

- Purpose is to refund Series 2013B, 2013E, 2014A, 2014D, and 2014E bonds, Subordinate Lien Drawdown Bonds and outstanding Commercial Paper Notes
 - Total estimated savings is in excess of \$179 million, over 20%
- Potential advanced refundings of Series 2013D, 2013F, 2013G and 2014C bonds
- Potential issuance of up to \$2 billion of new money bonds, possibly in several different transactions, to lock in lower interest rates if determined beneficial by the Airport

Sixty-Third Supplemental Bond Ordinance

Total request of approximately \$960 million, plus additional authority of \$2.69 billion, assuming market conditions are favorable

Scenario	Tax Status	Purpose	Par Amount
Refunding	Tax-Exempt	Refund non-AMT Bonds Callable 11/22	\$460M
	Taxable	Advance Refund AMT Bonds Callable 11/23	\$275M
	Taxable	Refund Subordinate Lien Bonds	\$225M
	Taxable	Advance Refund AMT Bonds Callable (various)	\$690M*
New Money	Taxable	Fund capital projects	\$350M*
	Tax-Exempt	Fund capital projects	\$650M*
	Taxable/Tax-Exempt	Fund capital projects	\$1,000M*
			\$3,650M

* Assuming market conditions are favorable

Sixty- Fourth Supplemental Bond Ordinance

PURPOSE

Approve the Sixty-Fourth Supplemental Bond Ordinance allowing the Authorized Officer to issue up to \$750 million of refunding bonds and take other necessary actions.

DESCRIPTION

- Annual request per DFW's debt policy.
- Section 8.2.2.7, "Annually, the Airport will request standby authorization from the Owner Cities to issue refunding bonds in an amount sufficient to refund all anticipated outstanding self-liquidity VRDs" (Variable Rate Debt, which includes commercial paper)
- Provide for issuance of multiple series of bonds in an amount not to exceed \$750 million over a one-year period

Underwriting Pool

Academy Securities*

Bank of America Securities

Barclays

Cabrera Capital*

Citigroup

Goldman Sachs

Jefferies

JP Morgan

Loop Capital Markets*

Morgan Stanley

Piper Sandler

Ramirez & Co*

Raymond James

RBC Capital

Rice Financial*

Siebert Williams Shank*

Stern Brothers*

UBS

Wells Fargo



**MWDVBE qualified firm*



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