



City of Austin

Recommendation for Action

File #: 24-4880, **Agenda Item #:** 21.

7/18/2024

Posting Language

Approve a resolution declaring the City's official intent to reimburse itself from proceeds of tax-exempt general obligation debt in the total amount of \$121,000,000. Related to Item #22.

Lead Department

Financial Services Department

Fiscal Note

A fiscal note is attached.

Prior Council Action:

November 3, 2022 - Council approved Ordinance No. 20221103-026 creating the Tax Increment Reinvestment Zone No. 20 for the Colony Park Sustainable Community, establishing a Board of Directors for the Zone, and related matters. Approval also included approval for the Colony Park Preliminary Project and Financing Plan.

For More Information:

Ed Van Eenoo, Chief Financial Officer, 512-974-2638; Kim Olivares, Deputy Chief Financial Officer, 512-974-2924.

Additional Backup Information:

For the City to spend money today and reimburse itself from the issuance of debt obligations in the future, a reimbursement resolution is required by state and federal law. The resolution must contain certain information to protect the tax-exempt status of the future issuance. Failure to adopt a qualified declaration of official intent will prohibit the City from reimbursing the cost with the proceeds of tax-exempt obligations. Reimbursement debt generally must be issued 18 months after the later of, the date the expenditure was made, or the date that the project, with respect to which the expenditure was made, is placed in service.

This action expresses the Council's intent to authorize the reimbursement for costs associated with the development and redevelopment of 208 acres of City-owned real property known as the Colony Park Sustainable Community Project.