# City of Austin

## Recommendation for Action

**File #:** 26-2279, **Agenda Item #:** 16. 8/27/2026

### Posting Language
Approve an ordinance authorizing the issuance and sale of City of Austin, Texas Public Improvement Bonds, Taxable Series 2026, in a par amount not to exceed $67,500,000 in accordance with the parameters set out in the ordinance, authorizing related documents, and approving the payment of the costs of issuance, and all related fees. Funding: The Fiscal Year 2026-2027 debt service requirements and estimated annual administration fees for the paying agent/registrar for the proposed bond sale are included in the Fiscal Year 2026-2027 Operating Budget of the General Obligation Debt Service Fund.

### Lead Department
Austin Financial Services

### Fiscal Note
The Fiscal Year 2026-2027 debt service requirements and estimated annual administration fees for the paying agent/registrar for the proposed bond sale are included in the Fiscal Year 2026-2027 Operating Budget of the General Obligation Debt Service Fund.

### Prior Council Action:
Previous Reimbursement Resolutions approved by City Council:
Resolution 20110912-011
Resolution 20190910-006
Resolution 20210902-067
Resolution 20230420-008

### For More Information:
Belinda Weaver, Treasurer, Austin Financial Services 512-974-7885.

### Additional Backup Information:
Approval of this ordinance will authorize the issuance of up to $67,500,000 in City of Austin, Texas Public Improvement Bonds, Taxable Series 2026 to provide funding for:

| Election | Year Description | New Money Amount |
|---|---|---|
| 2006 | Cultural Arts Facilities | $1,500,000 |
| 2018 | Affordable Housing | $10,000,000 |
| 2018 | Libraries, Museums, Cultural Arts Facilities | $1,000,000 |
| 2022 | Affordable Housing | $55,000,000 |

The bonds are being issued to provide funding pursuant to reimbursement resolutions that were previously approved by Council. Reimbursement resolutions declare an issuer's official intent to reimburse a project's expenditure with the proceeds of obligations to be issued after the expenditure may have occurred. The action is required by federal rules and state law. The City generally submits reimbursement resolutions for Council consideration as a part of the annual budget adoption in August/September, the same time as the new capital appropriations are adopted, or at the time of a capital budget amendment for a particular project.

The General Obligation Debt Service cost for the bond issuance of $67,500,000 is estimated as follows:

**Total Over 20 Years:**

| | |
|---|---|
| Principal | $67,500,000 |
| Interest | $40,829,000 |
| **Total Debt S** | **$108,329,000** |

In order to provide the City with the flexibility to respond quickly to changing market conditions, the proposed ordinance delegates the authority to the City Manager, Chief Financial Officer, or Director of Austin Financial Services (each, a "Pricing Officer") to complete the sale of the bond transaction in accordance with the parameters in the ordinance. The authority of the Pricing Officer to exercise the authority delegated by Council under this ordinance expires on February 27, 2027.

The Public Improvement Bonds will be sold via competitive sale. Electronic Bids are expected to be accepted on or about September 22, 2026. Bids will be verified by the City's municipal advisor, PFM Financial Advisors LLC, and the Public Improvement Bonds will be awarded to the bidder providing the City with the lowest true interest cost.

For this transaction, McCall, Parkhurst & Horton L.L.P. will serve as bond counsel, and Orrick, Herrington & Sutcliffe LLP will serve as disclosure counsel.