



City of Austin

Recommendation for Action

File #: 25-1805, **Agenda Item #:** 11.

9/25/2025

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 \$71,725,000 to finance the design and construction of building renovation projects at various City facilities; sidewalk projects; and the acquisition of vehicles, related equipment, and dispatch radio consoles. Funding: The issuance of \$71,725,000 in tax-exempt general obligation bonds will occur in August 2026 or later.

Lead Department

Financial Services Department

Fiscal Note

The issuance of \$71,725,000 in tax-exempt general obligation bonds will occur in August 2026 or later. A fiscal note is attached.

Prior Council Action:

August 14, 2025 - Council approved Ordinance 20250813-005, adopting the Fiscal Year 2025-2026 Budget.

For More Information:

Kerri Lang, Director of Office of Budget and Organizational Excellence, 512-974-2283; Kimberly Olivares, Director of Financial Services, 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 City Council's intent to authorize the reimbursement for costs associated with Fiscal Year 2025-26 Approved Capital Budget items for general obligation debt as described below:

Certificates of Obligation: \$25,000,000

- \$15,000,000 for design and construction of building renovation projects at various City facilities
- \$10,000,000 for design and construction of sidewalk projects

Public Property Finance Contractual Obligations: \$46,725,000

- \$44,185,000 for vehicle and equipment acquisition to support general fund, support service and internal service departments
- \$1,500,000 for dispatch radio consoles
- \$1,040,000 for vehicle wireless equipment