



City of Austin

Recommendation for Action

File #: 25-0988, **Agenda Item #:** 32.

6/5/2025

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 \$63,000,000 related to the I-35 Cap and Stitch Program. Funding: Issuance of \$63,000,000 in tax-exempt general obligation bonds will occur in August 2025 or later.

Lead Department

Financial Services.

Fiscal Note

The issuance of \$63,000,000 in tax-exempt general obligation bonds will occur in August 2025 or later. A fiscal note is attached.

Prior Council Action:

May 22, 2025 - Council approved Ordinance 20250522-043 amending the Fiscal Year 2024-2025 Transportation and Public Works Department Capital Budget.

For More Information:

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 Capital Budget items for general obligation debt as described below:

- I-35 Cap and Stitch Program \$63,000,000