



City of Austin

Recommendation for Action

File #: 24-5382, **Agenda Item #:** 10.

9/12/2024

Posting Language

Approve a resolution declaring the City's official intent to reimburse itself from proceeds of tax-exempt general obligation debt in the amount of \$112,056,000.

Lead Department

Financial Services Department.

Fiscal Note

\$68,500,000 in Certificates of Obligation to be issued in August 2025 or later; and \$43,556,000 in Public Property Finance Contractual Obligations to be issued in August 2025 or later. A fiscal note is attached.

For More Information:

Kerri Lang, Budget Officer, 512-974-7211.

Additional Backup Information:

For the City of Austin 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 no later than 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 FY 2024-25 Approved Capital Budget items for general obligation debt as described below:

Certificates of Obligation: \$68,500,000

- \$50,000,000 for land acquisition
- \$16,500,000 for design and construction of building renovation projects at various existing City facilities
- \$2,000,000 for design and construction of building renovations to the Nash Hernandez Building

Public Property Finance Contractual Obligations: \$43,556,000

- \$34,371,000 for vehicle and equipment acquisition to support general fund, support service and internal service departments
- \$3,870,000 for wireless radios
- \$3,200,000 for electric vehicle charging infrastructure
- \$2,115,000 for vehicle wireless equipment