



# City of Austin

## Recommendation for Action

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**File #:** 25-0042, **Agenda Item #:** 9.

1/30/2025

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### **Posting Language**

Approve a resolution declaring the City's official intent to reimburse itself from proceeds of tax-exempt debt obligations in an aggregate maximum principal amount of \$600,000,000 for project costs related to the initial phase of the Convention Center Redevelopment and Expansion Project. Funding: This item has no fiscal impact to the Convention Center's debt service in Fiscal Year 2025. The reimbursement debt will not be issued until October 2025 or later. A fiscal note is attached. Related to Item #10.

### **Lead Department**

Austin Convention Center Department.

### **Fiscal Note**

A fiscal note is attached.

### **For More Information:**

Katy Zamesnik, Assistant Director, 512-404-4208.

### **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 costs with the proceeds of tax-exempt obligations. Reimbursement debt generally must be issued no later than 18 months after the date the expenditure was paid, or the date that the project, with respect to which the expenditure was made, is placed in service, but in no event more than three years thereafter.

This action expresses the City Council's intent to authorize the reimbursement for costs associated with the initial phase of the Convention Center Redevelopment and Expansion Project.

This item was initially approved at the December 12, 2024 meeting; however, this item is being reconsidered in order to allow all members of the public an opportunity to provide public comment.