



City of Austin

Recommendation for Action

File #: 24-6152, **Agenda Item #:** 17.

11/21/2024

Posting Language

Approve a resolution declaring the City's official intent to reimburse itself from proceeds of tax-exempt debt in the total amount of \$2,240,000 for the acquisition of real property located on Shaw Lane. Funding: Funding is available from tax-exempt general obligation debt to be issued August 2025 or later. Related to Items #18 and #57.

Lead Department

Financial Services Department.

Fiscal Note

Funding is available from tax-exempt general obligation debt to be issued 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 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 and 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:

- Shaw Lane Land Acquisition \$2,240,000