

AGENDA



Recommendation for Council Action

Austin City Council	Item ID	29755	Agenda Number	29.
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Meeting Date:	1/23/2014	Department:	Neighborhood and Community Development
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Subject

Approve a resolution declaring the City's official intent to reimburse itself from November 2013 Affordable Housing General Obligation Bonds to be issued for expenditures in the total amount of \$15,000,000. Related to Item # 28.

Amount and Source of Funding

\$15,000,000 in General Obligation Public Improvement Bonds to be issued in August 2014 or later.

Fiscal Note

Purchasing Language:	
Prior Council Action:	
For More Information:	Ed Van Eenoo, Deputy Chief Financial Officer, 974-2638; Kimberly Springer, Deputy Budget Officer, 974-2924
Boards and Commission Action:	January 15, 2014 - Approved by the Bond Oversight Committee on a 5-0 vote with Committee Members Friese and McPhail absent.
MBE / WBE:	
Related Items:	

Additional Backup Information

For the City to spend money today, but 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 is generally drafted by bond counsel to protect the tax-exempt status of the future issuance. The resolution must be passed not more than 60 days after the date that the cost to be reimbursed is paid. 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 bonds 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 2013-2014 Amended Capital Budget items for General Obligation debt, as described below:

- 2013 Proposition 1 – \$15,000,000 for affordable housing