

A G E N D A



Recommendation for Council Action

Austin City Council - Town Lake Center	Item ID	36616	Agenda Number	10.
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Meeting Date:	9/8/2014	Department:	Budget Office
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Subject

Approve a resolution declaring the City of Austin's official intent to reimburse itself from revenue bonds in the amount of \$226,360,000 for Austin-Bergstrom International Airport improvements.

Amount and Source of Funding

\$226,360,000 in Revenue Bonds to be issued.

Fiscal Note

A fiscal note is not required.

Purchasing Language:	
Prior Council Action:	
For More Information:	Dave Arthur, Financial Assistant Director, 530-6688
Boards and Commission Action:	
MBE / WBE:	
Related Items:	

Additional Backup Information

The Aviation Department requests approval, in accordance with Federal Treasury Regulations, of an Official Declaration of Intent to Reimburse construction and other related costs of improvements to Austin-Bergstrom International Airport (ABIA) improvements.

For the City to spend money today, but reimburse itself from the issuance of debt obligations in the future, an inducement 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.