

AGENDA



Recommendation for Council Action

Austin City Council	Item ID	49855	Agenda Number	10.
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Meeting Date:	9/8/2015	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 an amount not to exceed \$122,400,000 for Austin-Bergstrom International Airport improvements.

Amount and Source of Funding

Up to \$122,400,000 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; Kimberly Springer, Deputy Budget Officer, 512-974-2924

Council Committee, 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 reviewed 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.