

A G E N D A



Recommendation for Council Action

Austin City Council	Item ID	65698	Agenda Number	17.
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Meeting Date:	12/15/2016	Department:	Budget Office
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Subject

Approve a resolution declaring the City of Austin's official intent to reimburse itself from proceeds of general obligation bonds to be issued for transportation and mobility-related expenditures in the total amount of \$28,000,000. (Related to Item 16)

Amount and Source of Funding

\$28,000,000 in General Obligation Public Improvement Bonds to be issued in August 2017 or later.

Fiscal Note

A fiscal note is not required.

Purchasing Language:	
Prior Council Action:	
For More Information:	Robert Spillar, Transportation Department Director, 974-2488, Robert. Hinojosa, Interim Public Works Department Director, 974-7158, Ed Van Eenoo, Deputy Chief Financial Officer, 974-2638,
Council Committee, Boards and Commission Action:	
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 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. Tax-exempt debt to reimburse these expenditures 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 expressed the City Council's intent to authorize the reimbursement for costs associated.

This reimbursement resolution includes the following amounts:

Proposition 1 □ Mobility (\$28,000,000)

Austin Transportation Department- \$8,000,000

- \$4,000,000 for the Corridor Mobility Program
- \$2,000,000 for bikeways
- \$2,000,000 for safety/Vision Zero

Public Works- \$20,000,000

- \$10,000,000 for sidewalks
- \$3,000,000 for Safe Routes to Schools
- \$1,000,000 for urban rails
- \$6,000,000 for capital renewal projects

All funds will be spent in accordance with the contract with the voters established by Resolution 20160818-074.

On November, 8 2016 the voters of Austin approved Proposition 1, \$720 million for transportation and mobility improvements. Staff anticipates that bonds will be sold over approximately 8 years, beginning in August 2017. At the time of the election, it was estimated that the total tax rate would increase by \$0.02225 per \$100 of taxable assessed valuation (as compared to the City's total tax rate as of the date of adoption of this ordinance).