

AGENDA



Recommendation for Council Action

Austin City Council	Item ID	72869	Agenda Number	16.
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Meeting Date:	8/3/2017	Department:	Neighborhood Housing and Community Development
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Subject

Approve a resolution declaring the City of Austin’s official intent to reimburse itself from November 2013 Proposition 1 General Obligation Bonds to be used for expenditures in the amount of \$5,500,000 related to affordable housing. Related to Items # 18 and # 19.

Amount and Source of Funding

\$5,500,000 in General Obligation Public Improvement Bonds to be issued in August 2017 or later.

Fiscal Note

A fiscal note is attached.

Purchasing Language:	
Prior Council Action:	
For More Information:	Rosie Truelove, NHCD Interim Director, 512-974-3064; Alex Zamora, Chief Administrative Officer, 512-974-3151.
Council Committee, Boards and Commission Action:	
MBE / WBE:	
Related Items:	

Additional Backup Information

The city must budget for and provide a source of funds before entering into any contract. For the City to spend money today but reimburse itself from the issuance of debt obligations in the future, state law requires the City to issue a reimbursement resolution. Failure to adopt a qualified declaration of official intent will prohibit the City from reimbursing the cost of the projects with the proceeds from debt obligations.

Reimbursement resolutions must contain certain information to protect the ability of the City to reimburse expenditures using the proceeds of the future debt issuance. The resolution must be adopted not more than 60 days after the date that project expenditures are made or incurred. The obligation must be issued not later than 18 months after the date that the expenditure was made, or if later, the date that the projects with respect to which the expenditures were made, is placed in service, but in no case, no more than three years after the date that a project expenditure subject to the reimbursement is paid.

Therefore, to be in compliance with state law, this action expresses the City Council's intent to authorize reimbursement of expenditures included in the 2016-2017 Amended Capital Budget in the amount of \$5,500,000.