

## A G E N D A



## Recommendation for Council Action

Austin City Council	Item ID	75095	Agenda Number	6.
Meeting Date:	9/13/2017		Department:	Budget Office
Subject				
<p>Approve a resolution declaring the City of Austin's official intent to reimburse itself from: November 2013 Proposition 1 General Obligation Bonds in the amount of \$10,500,000 for Affordable Housing; November 2016 Proposition 1 General Obligation Bonds in the amount of \$60,500,000 for transportation and mobility; Certificates of Obligation in the amount of \$3,000,000 for public safety facility improvements and \$13,000,000 for street improvements; and Contractual Obligations in the amount of \$3,400,000 for the Austin Resource Recovery organics program expansion vehicles and equipment and \$17,950,000 for additional vehicles and equipment for other City departments..</p>				
Amount and Source of Funding				
<p>\$71,000,000 in General Obligation Public Improvement Bonds to be issued in August 2018 or later; \$16,000,000 in General Obligation Certificates of Obligation to be issued in August 2018 or later; and \$21,350,000 in General Obligation Contractual Obligations to be issued in August 2018 or later.</p>				
Fiscal Note				
<p>A fiscal note is attached detailing the estimated debt service and the impact on the tax rate.</p>				
Purchasing Language:				
Prior Council Action:				
For More Information:	Ed Van Eenoo, Deputy Chief Financial Officer, 512-974-2638			
Council Committee, Boards and Commission Action:				
MBE / WBE:				
Related Items:				
Additional Backup Information				

A city must have budgeted for and provided a source of funds in order to enter into a contract. For the City to spend money today, but reimburse itself from the issuance of debt obligations in the future, state and federal law require the City to approve a reimbursement resolution. The resolution must contain certain information and protect the tax exempt status of the future issuance. 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 no later than 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 2017-2018 Approved Capital Budget items for General Obligation debt, as described below:

General Obligation Public Improvement Bonds: \$71,000,000

- 2013 P1 - \$10,500,000 for affordable housing;
- 2016 P1 - \$60,500,000 for transportation and mobility.

General Obligation Certificates of Obligation: \$16,000,000

- \$3,000,000 for public safety facility improvements;
- \$13,000,000 for street improvements.

General Obligation Contractual Obligations: \$21,350,000

- \$3,400,000 for Austin Resource Recovery organics program expansion vehicles and equipment;
- \$17,950,000 for vehicles and equipment to be used by other City departments.