



Recommendation for Action

File #: 19-2296, **Agenda Item #:** 83.

6/19/2019

Posting Language

Approve a resolution directing the publication of an Official Notice of Intention to Issue \$21,260,000 City of Austin, Texas, Certificates of Obligation, Series 2019.

Lead Department

Financial Services

Fiscal Note

The fee to advertise the sale will be included in the upcoming bond sale's cost of issuance and is estimated to cost \$1,750. Debt service resulting from the actual bond sale will be included in the 2019-20 Proposed Operating Budget of the General Obligation Debt Service Fund and is currently estimated at \$1,708,000.

Prior Council Action:

Reimbursement Resolutions approved by City Council on 9/25/2014 and 5/24/2018

For More Information:

Belinda Weaver, Interim Treasurer, 512-974-7885

Additional Backup Information:

State law requires publication of an Official Notice of Intention to Issue Certificates of Obligation once a week for two consecutive weeks. The date of the first publication must be 31 or more days before the date on which Council adopts an ordinance authorizing the issuance of the Certificates of Obligation. This proposed request for Council action will allow publication of the notice of intention in the Austin American Statesman, which is estimated to cost \$1,750 for the two-week required notification.

The actual authorization and sale of the Certificates of Obligation would be completed pursuant to a separate Council action that is tentatively scheduled to take place as part of the City's general obligation bond sale, occurring each year in August. The City may generally remove items from the proposed sale notification after publication of the Notice of Intention, but any additional sale items would require an updated notice. Proceeds from the sale will be used to fund existing project appropriations that were previously approved by City Council with reimbursement resolutions, in accordance with financial policies. Currently-proposed issuances and descriptions are found below, for inclusion in the advertisement.

Waller Creek District Improvements - \$15,000,000

This is part of the overall plan for projects in the Tax Increment Financing Reinvestment Zone (TIRZ) No. 17. This supports the Waterloo Park Link. It is the largest of the Chain of Parks that will be a

gathering space for the City of Austin including: a civic lawn, a performing arts venue, food service in the park, unique hill country gardens, wetlands, and extensive nature-based play areas. Within this link, a connection to Symphony Square and restoration of the creek and adjacent open space will be completed. This funds design and construction of the Waterloo Park. This funding source was approved as part of the Fiscal Year 2017-2018 Capital Budget.

Park and Recreation Department Pool Improvements - \$6,260,000

Pool improvements includes the renovation of the Govalle and Shipe Pools. Govalle includes improvements to restroom facilities, lap pool, activity pool, and expansive deck space. Govalle Pool is located at 5200 Bolm Road. Shipe Pool includes a renovation of the pool facility including restroom facilities, lap pool, activity pool, and expansive deck inclusive of plumbing and mechanical systems. Shipe is located at 4400 Avenue G. This funding source was approved as part of the Fiscal Year 2014-2015 Capital Budget.

The debt service costs for the currently-proposed \$21,260,000 Certificates of Obligation Series 2019 issuance are estimated as follows:

	Total Over 20 Years:	Average Per Year
Principal	\$21,260	\$1,063,000
Interest	<u>12,858,642</u>	<u>900</u>
Total Debt Ser	\$34,118	\$1,705,900

Of the \$21,260,000 that is being issued, \$6,260,000 is tax-supported.