



Recommendation for Action

File #: 19-3684, **Agenda Item #:** 97.

11/14/2019

Posting Language

Approve a resolution declaring the City of Austin's official intent to reimburse itself from proceeds of certificates of obligation to be issued for expenditures in the total amount of \$8,000,000 to acquire and renovate a building to provide shelter and support services to those experiencing homelessness.

Lead Department

Office of Real Estate Services

Fiscal Note

A fiscal note is attached.

For More Information:

Megan Herron, Office of Real Estate Services, 512-974-5649; Alex Gale, Office of Real Estate Services, (512) 974-1416

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 approved by council 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 reimbursement debt 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. The facility for which these funds would be used is anticipated to be 2711 South IH-35.