



Recommendation for Action

File #: 21-2070, **Agenda Item #:** 37.

6/10/2021

Posting Language

Approve a resolution directing the publication of an Official Notice of Intention to Issue \$69,955,000 City of Austin, Texas, Certificates of Obligation, Series 2021.

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 \$2,500. Debt service resulting from the actual bond sale will be included in the 2021-22 Proposed Operating Budget of the General Obligation Debt Service Fund and is currently estimated at \$5,612,750.

Prior Council Action:

Reimbursement Resolutions approved by City Council on June 18, 2015, May 12, 2016, September 13, 2017, May 24, 2018, September 11, 2018, September 10, 2019, June 4, 2020, August 27, 2020, October 15, 2020, and December 3, 2020.

For More Information:

Belinda Weaver, City 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 45 or more days before the date on which the City 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 \$2,500 for the two-week required notification.

The actual authorization and sale of the Certificates of Obligation pursuant to a separate Council action is tentatively scheduled to take place as part of the City's general obligation bond sale, occurring each year in September. 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 the City's financial policies. Currently proposed issuances and descriptions are found below, for inclusion in the advertisement.

Austin Fire Department Locker Room Improvements - \$26,620,000

This funding supports retrofitting various fire stations to accommodate locker and bathroom facilities for all firefighters, as well as general renovations. This funding source was approved as part of the Fiscal Year 2017-18, Fiscal Year 2018-19, and Fiscal Year 2019-20 Capital Budgets.

Austin Fire and Emergency Medical Service (EMS) Department Stations- \$21,100,000

This is part of the comprehensive plan to build five new fire/EMS stations in the areas of immediate need identified by the Austin Fire Association (Local 975) and the Austin Fire Department. This is the second bond sale related to this plan. These five stations were chosen as locations that would benefit the Fire and EMS response times, and which could also support potential gaps in existing stations response times. The stations include Del Valle/Moore's Crossing, Travis Country, Loop 360/Davenport Ranch, Goodnight Ranch, and Canyon Creek/620 Station. This funding source was approved as part of the Fiscal Year 2020-2021 Capital Budgets.

Austin Fire Department Shady Hollow Fire Station- \$1,710,000

This funding is for the purchase of the Shady Hollow Fire Station. This was in response to the City's Strategic Partnership Agreement (SPA) with the Shady Hollow Municipal Utility District to place City emergency services as close as reasonably possible to the District. This funding source was approved as part of the Fiscal Year 2020-21 Capital Budget.

Non-Tax Supported Item:

Waller Creek District Park Improvements - \$14,300,000

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 2018-2019 Capital Budgets.

Non-Tax Supported Item:

Waller Creek Tunnel - \$6,225,000

The Waller Creek Tunnel Project consists of a storm water bypass tunnel constructed from 12th Street at Waterloo Park to Lady Bird Lake just upstream of the mouth of Waller Creek. This is the last planned remaining issuance related to the Waller Creek Tunnel Project. The funding source for this was approved as part of the Fiscal Year 2014-15 and the Fiscal 2015-16 Capital Budgets.

The debt service costs for the currently-proposed \$69,955,000 Certificates of Obligation Series 2021 issuance are estimated as follows:

	Total Over r 20 Yea rs:	Average Per Year
Principal	\$69,955,	\$3,497,750
Interest	<u>42,313,72,</u>	<u>115,687</u>
Total Debt Serv	\$112,26	\$5,613,437

Of the \$69,955,000 being issued, \$49,430,000 is tax-supported.

Strategic Outcome(s):

Government that Works for All.