



Recommendation for Action

File #: 23-2776, Agenda Item #: 17.

9/14/2023

Posting Language

Approve a resolution declaring the City of Austin's official intent to reimburse itself from proceeds of certificates of obligation in the amount of \$33,690,000 and public property finance contractual obligations in the amount of \$68,515,000.

Lead Department

Financial Services.

Fiscal Note

\$33,690,000 in Certificates of Obligation to be issued in August 2024 or later; and \$68,515,000 in Public Property Finance Contractual Obligations to be issued in August 2024 or later. Fiscal note is attached.

For More Information:

Kerri Lang, Budget Officer, 512-974-7211.

Additional Backup Information:

For the City of Austin to spend money today and reimburse itself from the issuance of tax-exempt debt obligations, federal law requires the City to approve a reimbursement resolution, which allows the City to reimburse itself from the issuance of debt obligations in the future. 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. Tax exempt debt obligations being utilized to make a reimbursement must generally 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 FY 2023-24 Approved Capital Budget items for general obligation debt consisting of the Certificates of Obligation and Public Property Finance Contractual Obligation issuances, as described below:

Certificates of Obligation: \$33,690,000

- \$22,000,000 for design and construction of a new Fire/EMS facility
- \$3,690,000 for design and construction of building renovation projects at various existing City facilities
- \$2,000,000 for Park and Recreation Shade Structures
- \$2,700,000 for design and construction of building renovations to the City owned Austin Domestic/Family Violence Center
- \$1,800,000 for design and construction building renovations to the City owned Austin Domestic/Family Violence Center (repeal and replacement from component of Resolution No. 20210902-067)
- \$1,500,000 for design and construction of renovations at existing Fire/EMS station facilities

Public Property Finance Contractual Obligations: \$68,515,000

- \$37,845,000 for vehicle and equipment acquisition to support general fund, support service and internal service departments
- \$24,100,000 for the City's development review, permitting and inspection modernization project
- \$4,000,000 for the City's financial system upgrade
- \$2,500,000 for vehicle wireless equipment
- \$70,000 for public safety equipment