



Thursday, February 01, 2007

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Budget
RECOMMENDATION FOR COUNCIL ACTION

ITEM No. 13

Subject: Approve a resolution declaring the City of Austin's official intent to reimburse itself from November 2006 Proposition 1 General Obligation Bonds to be issued for expenditures in the amount of \$10,000,000 related to street reconstruction and sidewalk reconstruction and improvements, to reimburse itself from November 2006 Proposition 2 General Obligation Bonds to be issued for expenditures in the amount of \$37,000,000 related to Watershed Protection Master Plan Projects and Open Space preservation and, to reimburse itself from November 2006 Proposition 3 General Obligation Bonds to be issued for expenditures in the amount of \$10,500,000 related to park facilities, facility improvements and facility renovations and parkland acquisition and development; to reimburse itself from November 2006 Proposition 4 General Obligation Bonds to be issued for expenditures in the amount of \$1,050,000 related to Community and Cultural facility projects; to reimburse itself from November 2006 Proposition 5 General Obligation Bonds to be issued for expenditures in the amount of \$5,000,000 related to affordable housing programs, and to reimburse itself from November 2006 Proposition 7 General Obligation Bonds to be issued for expenditures in the amount of \$21,450,000 related to public safety facility projects.

Amount and Source of Funding: Funding of \$85,000,000 in General Obligation Public Improvement Bonds to be issued in August 2007 or later

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

**Additional Backup
Material**

(click to open)

No Attachments Available

For More Information: John Stephens, Chief Financial Officer, 974-2076

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, a reimbursement resolution is required by state and federal law. The resolution must contain certain information and protects 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 place in service. This action expresses the City Council's intent to authorize the reimbursement for costs associated with 2006-2007 Amended Capital Budget items for General Obligation debt, as described below. General Obligation Public Improvement Bonds: \$85,000,000 • 2006 P1 - \$9,000,000 for street reconstruction; • 2006 P1 - \$1,000,000 for sidewalk reconstruction and improvements, • 2006 P2 - \$30,000,000 for Open Space land acquisition and conservation easements; • 2006 P2 - \$7,000,000 for Watershed Protection Masterplan Projects, • 2006 P3 - \$2,385,000 for Parks and Recreation facility improvements and renovations; • 2006 P3 - \$1,300,000 for pool improvements and renovations; • 2006 P3 - \$300,000 for playscapes; • 2006 P3 - \$450,000 for trails, • 2006 P3 - \$1,415,000 for courts and greens, • 2006 P3 - \$4,650,000 for parkland acquisition and development; • 2006 P4 - \$400,000 for the African American Heritage Facility project, • 2006 P4 - \$650,000 for the Austin Film Studios improvements and renovation project; • 2006 P5 - \$5,000,000 for affordable housing programs; • 2006 P7 - \$16,000,000 for the Municipal Court facility project, • 2006 P7 - \$5,000,000 for the Joint Public Safety Training Facility project • 2006 P7 - \$450,000 for the Animal Shelter Facility project.