

RESOLUTION NO. 20110127-007

WHEREAS, the City of Austin (Issuer) is a home rule city authorized to issue obligations to finance its activities, the interest on which is excludable from gross income for federal income tax purposes (tax exempt obligations) pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the Code); and

WHEREAS, the Issuer will make, or has made, not more than 60 days before this date, \$56,290,000 in expenditures related to projects to be funded by General Obligation Bonds approved by the voters in the November 2010 Special Municipal Election, (collectively, GO Bond Projects) as follows:

- 2010 Proposition 1 project expenditures in the amount of \$27,260,000 for pedestrian improvements, Americans with Disabilities Act improvements, and bikeway projects;
- 2010 Proposition 1 project expenditures in the amount of \$9,750,000 for street reconstruction projects;
- 2010 Proposition 1 project expenditures in the amount of \$16,975,000 for mobility improvements (including, but not limited to, extensions of roads, widening of roads, intersection improvements, right-of-way acquisition, and engineering for these types of projects); and

- 2010 Proposition 1 project expenditures in the amount of \$2,305,000 for traffic signals; and

WHEREAS, the Issuer intends to expend available moneys, including moneys on deposit in the Issuer's general fund, for these expenditures; and

WHEREAS, the Issuer finds, considers, and declares that the reimbursement of the payment by the Issuer of these expenditures will be appropriate and consistent with the lawful objectives of the Issuer and chooses to declare its intention, in accordance with the provisions of Section 1.150-2 of the U.S. Treasury Regulations, to reimburse itself for such payments at such time as it issues tax-exempt obligations; and

WHEREAS, the Issuer reasonably expects to issue tax-exempt obligations to reimburse itself for expenditures made as described above; **NOW, THEREFORE,**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

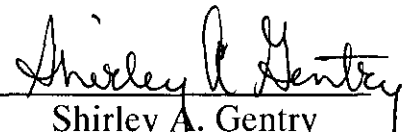
The Issue reasonably expects to reimburse itself for all costs that have been paid during the 60 days preceding this date or that will be paid after this date from the sale proceeds of tax-exempt obligations to be issued by, or on behalf of, the Issuer at a future date in an aggregate amount not to exceed \$56,290,000 for expenditures related to the GO Bond Projects; and

All costs to be reimbursed will be capital expenditures; the tax-exempt obligations shall be issued within 18 months of the later of (i) the date the expenditures are paid, or (ii) the date on which the property, with respect to which such expenditures were made, is placed in service; and the tax exempt obligations will not be issued on a date that is more than three years after the date any expenditures which is to be reimbursed is paid; and

The Issuer reasonably expects that the maximum aggregate principal amount of tax-exempt obligations issued to reimburse the Issuer for the above-stated expenditures will not exceed \$56,290,000.

ADOPTED: January 27, 2011

ATTEST:


Shirley A. Gentry
City Clerk