

RESOLUTION NO.

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 intends to make on or after this date, or has made not more than 60 days before this date, approximately \$100,962,000 in capital expenditures related to projects to be funded by General Obligation Bonds approved by the voters in the November 2012 and November 2013 Special Municipal Elections, as follows (collectively, GO Bond Projects) as follows:

- November 2012 Proposition 12 project expenditures in the amount of \$46,115,000 related to transportation and mobility;
- November 2012 Proposition 14 project expenditures in the amount of \$25,800,000 related to parks and recreation;
- November 2012 Proposition 16 project expenditures in the amount of \$10,362,000 related to public safety projects;
- November 2012 Proposition 17 project expenditures in the amount of \$4,035,000 related to health and human services;
- November 2012 Proposition 18 project expenditures in the amount of

\$4,650,000 related to libraries, museums, and cultural arts facilities; and

- November 2013 Proposition 1 project expenditures in the amount of \$10,000,000 for affordable housing.

WHEREAS, the Issuer expects to make on or after this date, or has made not more than 60 days before this date, capital expenditures in the amount of approximately \$5,000,000 for building improvements, \$12,500,000 for the new Central Library, \$3,000,000 for the [re]Manufacturing Hub Project, and \$1,300,000 for golf course improvements to be funded by certificates of obligation or other tax exempt debt as lawfully appropriate (Certificate of Obligation Projects); and

WHEREAS, the Issuer intends to expend available moneys for these expenditures; and

WHEREAS, the Issuer has concluded that it does not currently desire to issue tax-exempt obligations to finance these expenditures; and

WHEREAS, the Issuer finds, considers and declares that the reimbursement of the payment by the Issuer of these capital 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 (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 capital expenditures made as described above; **NOW, THEREFORE**,

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

The Issuer reasonably expects to reimburse itself for capital expenditures with respect to the GO Public Improvement Bond Projects and Certificate of Obligation Projects paid with funds on hand from the proceeds of the sale of tax exempt obligations to be issued, and this resolution shall constitute a declaration of official intent under the Regulations. The maximum principal amount of the tax exempt obligations expected to be issued for the GO Projects is \$100,962,000 and for the Certificate of Obligation Projects is \$21,800,000.

ADOPTED: _____, 2014

ATTEST: _____
Jannette S. Goodall
City Clerk