

RESOLUTION NO.

WHEREAS, Council directed the City Manager to identify, by August 9, 2018, funding sources to replace \$6 million in unallocated Capital Metropolitan Transportation Authority (Capital Metro) funding for transportation projects funded from the Quarter Cent program; and

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 expects to make on or after this date, or has made not more than 60 days before this date, capital expenditures, such as sidewalks, traffic beacons, and other mobility and traffic-related improvements, in the amount of approximately \$6,000,000 related to transportation projects that meet the requirements of Council Resolution 20150618-093 to be funded by certificates of obligation or other tax exempt debt as lawfully appropriate (collectively, 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 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 state law and 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 obligations; and

WHEREAS, the Issuer reasonably expects to issue 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 Certificate of Obligation Projects, paid with funds on hand from the proceeds of the sale of obligations to be issued, and this resolution shall constitute a declaration of official intent under the Regulations. The maximum principal amount of the obligations expected to be issued for the Certificates of Obligation Projects is \$6,000,000.

ADOPTED: _____, 2018

ATTEST: _____

Jannette S. Goodall
City Clerk