

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 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 \$78,000,000 for buyouts of single family houses in flood-prone areas and related improvements; \$5,425,000 for Austin Animal Center improvements; \$5,350,000 for West Avenue improvements; and \$5,800,000 for a Magistrate Center 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 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 Certificate of Obligation Projects is \$94,575,000.

ADOPTED: _____, 2014

ATTEST: _____

Jannette S. Goodall
City Clerk