



Recommendation for Action

File #: 18-3680, **Agenda Item #:** 31.

1/31/2019

Posting Language

Approve a resolution declaring the City of Austin's official intent to reimburse itself from proceeds of general obligation bonds to be issued for transportation and mobility-related expenditures in an amount not to exceed \$3,305,000. Related to Items #30 and #32.

Lead Department

Austin Transportation Department

Fiscal Note

A fiscal note is attached.

Prior Council Action:

August 18, 2016 - Council passed Resolution No. 20160818-074, which included information on the projects to be included in the Mobility Bond on a 7-1 vote with Council Member Houston voting nay, Council Members Garza, Troxclair, and Zimmerman abstaining.

August 18, 2016 - Council passed Ordinance No. 20160818-023, which ordered a special election for the purpose of authorizing the issuance of general obligation bonds for transportation and mobility on a 7-1 vote with Council Member Houston voting nay, Council Members Garza, Troxclair, and Zimmerman abstaining.

For More Information:

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Additional Backup Information:

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 is generally reviewed by bond counsel to protect the tax-exempt status of the future issuance. The resolution must be passed not more than 60 days after the date that the cost to be reimbursed is paid. Failure to adopt a qualified declaration of official intent will prohibit the City from reimbursing the cost with the proceeds of tax exempt obligations. Tax-exempt debt to reimburse these expenditures generally must be issued 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 placed in service. This action expressed the City Council's intent to authorize the reimbursement for costs associated.

This reimbursement resolution includes the following amounts:

Proposition 1 Mobility - an amount not to exceed (\$3,305,000) for Old Bee Caves Road Bridge Regional Mobility Improvements, a component of the TxDOT project referred to as the Oak Hill Parkway Project. (NOTE: staff is tracking categories of expenditures to ensure compliance with the contract with the voters).

Austin Transportation Department TOTAL = (estimated) \$3,301,401
Regional Mobility Improvements for Old Bee Caves Road Bridge (estimated) \$3,301,401

All funds will be spent in accordance with the contract with voters established by Council in Resolution No. 20160818-074 and in Ordinance No. 20160818-023. On November 8, 2016, the voters of Austin approved Proposition 1, \$720 million in general obligation bonds for transportation and mobility improvements.