Recommendation for Action

File #: 20-2071, **Agenda Item #:** 36.   5/21/2020

Posting Language
Approve a resolution expressing the City of Austin's consent, as required by Internal Revenue Code Section 147(f), to Arlington Higher Education Finance Corporation's loan to St. Dominic Savio Catholic High School and Holy Family Catholic School, schools that are located in Austin, Texas, in an amount not to exceed $20,000,000 to refinance outstanding indebtedness and finance other eligible expenses at St. Dominic and Holy Family Catholic School.

Lead Department
Treasury

Fiscal Note
This item has no anticipated fiscal impact.

For More Information:
Belinda Weaver, City Treasurer, 512-974-7885
Leela Fireside, Assistant City Attorney, 512-974-2163

Additional Backup Information:
Federal law requires the approval of the city in which the facilities that are incurring this debt are located before the facilities can issue the debt. St. Dominic Savio Catholic High School ("St. Dominic") and Holy Family Catholic School ("HFCS") intend to enter into a loan agreement with the Arlington Higher Education Finance Corporation for financing not to exceed $20,000,000. The loan will be used to (i) refinance certain outstanding indebtedness issued for the benefit of St. Dominic to finance capital projects at St. Dominic and (ii) finance certain costs of acquiring, constructing, improving, furnishing, and equipping educational facilities at HFCS.

St. Dominic is located at 9300 Neenah Avenue in the City of Austin, Texas ("City") and HFCS is located at 9400 Neenah Avenue in the City. Because the facilities being financed for St. Dominic and HFCS are located within the City, the Internal Revenue Code requires that the City Council approve the loan.

The City is not being asked for funds and in no way will the loan be considered a debt or liability to the City. All the expenses and repayment liability for this financing are solely an obligation of St. Dominic and HFCS.

Strategic Outcome(s):
Government that Works for All.