



Recommendation for Action

File #: 20-2135, **Agenda Item #:** 42.

6/4/2020

Posting Language

Approve a resolution declaring the City of Austin's official intent to reimburse itself from proceeds of certificates of obligation in the amount of \$400,000 to be issued for the land acquisition for the new Travis Country fire station. Related to Items #20-2134 and 20-2150.

Lead Department

Austin Fire Department

Fiscal Note

Funding in the amount of \$400,000 is available from the future issuance of debt. A fiscal note is attached.

Prior Council Action:

October 31, 2019 - City Council approved the negotiation and execution of all documents and instruments necessary or desirable to acquire the fee simple title to approximately 1.426 acres of land (62,117sq.ft.) being Lot 1, Block A, Oak Hill Technology Park Subdivision, a subdivision in Travis County Texas, recorded in Document No. 200000208 of the Official Public Records of Travis County, Texas at 5408 US Highway 290 West, Austin, Texas 78735 from AAW Oak Hill LTD.

May 24, 2018 - City Council approved Resolution No. 20180524-035, directing the City Manager to construct, build, or establish interim fire stations.

For More Information:

Rob Vires, Chief of Staff 512-974-0132; Davis Haden, Division Chief 512-497-2789

Additional Backup Information:

City Council passed Resolution No. 20180524-035 with a unanimous vote, directing City staff to construct and staff five new permanent Fire/EMS stations in the areas of greatest need as identified in the updated 2017 Austin Fire Department/Austin Fire Association Fire Station Risk and Service Delivery Analysis Report.

The Travis Country Fire/EMS station has been designated as one of the two highest priority stations. The site located at 5408 U.S. Highway 290 West was identified as the ideal location for the new Travis Country Fire/EMS station. Council previously approved an item on October 31, 2019, authorizing the negotiation and execution to acquire this property, in an amount not to exceed \$2,545,000. During negotiations, the terms of the agreement were adjusted, which requires the additional \$400,000 being requested for the not to exceed amount.

A reimbursement resolution is required by state and federal law in order for the City to reimburse itself from the issuance of debt obligations in the future. 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. Reimbursement bonds 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.

Strategic Outcome(s):

Safety.