



***Reimbursement Resolution for the capital expenditures associated with the Light Rail lines and associated support facilities***

**SUBJECT:** Approve a resolution declaring Austin Transit Partnership's (ATP) official intent to reimburse itself from proceeds of tax-exempt obligations to be issued for Light Rail lines and associated support facilities expenditures in the total amount of \$50,000,000.

**FISCAL IMPACT:** \$50,000,000 in tax-exempt obligations to be issued August 2023 or later.

**RESPONSIBLE DEPARTMENT:** Finance

**EXECUTIVE SUMMARY:** For ATP to spend money today but reimburse itself from the issuance of tax-exempt debt obligations in the future, a reimbursement resolution is required by state and federal law. The resolution must contain certain information and is generally drafted 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. This resolution is intended to cover the capital expenditures associated with the Light Rail lines and associated support facilities incurred in Fiscal Year 2023. Failure to adopt a qualified declaration of official intent will prohibit ATP 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 (but in no event more than three (3) years).

**RESOLUTION  
OF THE  
AUSTIN TRANSIT PARTNERSHIP  
BOARD OF DIRECTORS**

**STATE OF TEXAS**

**Resolution ID: ATP-2022-011**

**COUNTY OF TRAVIS**

**Adoption of Reimbursement  
Resolution for the capital  
expenditures associated with the  
Light Rail lines and associated  
support facilities**

**WHEREAS**, the Austin Transit Partnership Local Government Corporation (ATP) plans to issue one or more series of tax-exempt obligations to finance the capital expenditures associated with the Light Rail lines and associated support facilities in the amounts of \$47,500,000 and \$2,500,000, respectively; and

**WHEREAS**, prior to the issuance of the tax-exempt obligations, ATP will make expenditures for the Light Rail lines and associated support facilities from existing funds on hand, and it is the intent of ATP to reimburse these funds with the proceeds of sale of tax-exempt obligations; and

**WHEREAS**, under Treasury Regulation Section 1.150-2 (Regulation), an official intent to reimburse expenditures with the proceeds of tax-exempt obligations must be made by ATP within 60 days of the date of the original expenditure; and

**WHEREAS**, ATP desires to preserve its ability to reimburse the Light Rail and associated support facilities expenditures with the proceeds of tax-exempt obligations;

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of ATP reasonably expects to reimburse capital expenditures associated with the Light Rail lines and associated support facilities paid with funds on hand from the proceeds of the sale of one or more series of tax-exempt obligations to be issued, and this resolution shall constitute a declaration of official intent under the Regulation.

**BE IT FURTHER REOSLVED** that the maximum aggregate principal amount of the tax-exempt obligations expected to be issued for the capital expenditures associated with the Light Rail lines and associated support facilities is \$50,000,000.

**BE IT FURTHER RESOLVED** that the Board intends to reimburse itself within eighteen (18) months from the later of the date of expenditure or the date the property financed is placed in service (but in no event more than three (3) years after the original expenditures are paid).

DocuSigned by:

*Casey Burack*

DFB593FC6FE84F5

**Casey Burack**  
**Secretary of the Board**

9/22/2022

**Date:**