



Legislation Text

File #: 2018-5206, **Version:** 1

Consider a resolution expressing official intent to reimburse certain design and construction of offsite public improvement expenditures in conjunction with the Kalahari Project, from the proceeds of a future tax-exempt Certificate of Obligation debt issuance.

Consider a resolution expressing official intent to reimburse certain design and construction of offsite public improvement expenditures from the proceeds of a future certificate of obligation debt issuance

This resolution allows for project costs related to offsite public improvements that will be located near the property of Kalahari Resorts and Convention Center to be spent before the bond proceeds are received. This resolution will allow the project to move forward using existing cash and then reimburse the funds once the bonds are issued.

In accordance with Section 6.02 and 6.03 of the Master Development between the City and KR CC, Inc. the City of Round Rock plans to issue approximately \$16.5 million of tax-exempt certificates of obligation for the design and construction of offsite public improvements and related bond issuance costs. The costs of issuance and related costs will require that total debt issued be up to \$16.5 million to ensure the \$15 million is available for direct project design and construction as required by the agreement.

These Offsite public improvements include:

- A. the intersection of US 79 and Harrell parkway to include a newly constructed, multi-lane crossing of the Union Pacific Railroad line, turn/cuing expansion along US 79 and signal modifications. This project will also include the extension of a potable water line from the north side of US 79 via underground bore to a point south of US 79 and the rail line.
- B. the existing crossing of the Union Pacific Railroad line at the wastewater treatment plant to include additional capacity, turn/cuing expansion, and a signal.
- C. improvement of the operation of Joe DiMaggio Blvd., between US 79 and Kenney Fort Blvd.
- D. improvements to allow direct access to the Property and extension from Forest Creek to Gattis School Road.

This resolution is required to meet IRS rules and regulations regarding the use of tax-exempt bond funds.