



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 12

Agenda Date: May 15, 2025

In Control: City Council A Session

DEPARTMENT: Finance Department

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Reimbursement Resolution

SUMMARY:

This Resolution by the City Council of the City of San Antonio, Texas establishes the City's intention to reimburse itself for the prior lawful expenditure of funds from the proceeds of one or more series of tax-exempt or taxable obligations to be issued by the City for authorized purposes and as further designated by series and federal tax treatment; authorizes other matters incident and related thereto; and provides an effective date.

BACKGROUND INFORMATION:

In November 2024, the City unveiled a plan for a Sports and Entertainment District in downtown San Antonio. The proposed district may include an expansion of the Henry B. Gonzalez Convention Center, new convention center hotel, land bridge over IH-37 to connect the eastside to downtown, improvements to the Alamodome, renovation of the John Wood Courthouse into a live entertainment venue, mixed-use development, enhanced infrastructure, and a new National Basketball Association (NBA) arena. Approval of this Reimbursement Resolution will enable the City to reimburse itself for project expenditures to be funded by the issuance of future obligations

but expended prior to the sale and delivery of such obligations' proceeds in an amount not to exceed \$200,000,000.

ISSUE:

This Reimbursement Resolution is the City's official declaration of intent to reimburse itself from the proceeds of one or more series of tax-exempt or taxable obligations for any capital expenditures previously incurred (not more than 60 days prior to the date hereof) or to be incurred for the proposed district. The Reimbursement Resolution complies with IRS requirements and establishes the timeframe for reimbursement of eligible capital expenditures.

ALTERNATIVES:

The City could choose to not approve the Resolution but would lose the flexibility to reimburse itself for the prior lawful capital expenditure of funds from future obligations.

FISCAL IMPACT:

This Resolution has no impact on the City's Operating Budget.

RECOMMENDATION:

Staff recommends approval of this Resolution that authorizes the reimbursement for prior lawful expenditure of funds.