

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, RELATING TO THE STATE REVOLVING FUND AND AUTHORIZING DECLARATIONS OF OFFICIAL INTENT UNDER U.S. TREASURY REGULATIONS WITH RESPECT TO REIMBURSEMENTS FROM STATE REVOLVING FUND PROGRAM PROCEEDS FOR TEMPORARY ADVANCES MADE FOR PAYMENTS PRIOR TO ISSUANCE, AND RELATED MATTERS.

WHEREAS, Florida Statutes provide for loans to local government agencies to finance the construction of water, wastewater and stormwater facilities; and

WHEREAS, the Florida Department of Environmental Protection ("FDEP") held a hearing on May 12, 2021 and approved funding financing for the City's Ocean Outfall Regulatory Compliance Phase II - Deep Injection Wells No. 3 and No. 4 Pump Station Project and placed the project on the Priority List designated as DEP Project No. CW0604C for construction funds; and

WHEREAS, United States Treasury Regulations §1.150-2 (the "Reimbursement Regulations") prescribe conditions under which proceeds of the State Revolving Fund SRF Loans are used to reimburse advances made for capital and certain other expenditures ("Original Expenditures") paid before the issuance of such SRF Loans will be deemed to be expended (or properly allocated to expenditures) for purposes of Sections 103 and 141-150 of the Internal Revenue Code of 1986, as amended (the "Code"), upon such reimbursement so that the proceeds so used will no longer be subject to requirements or restrictions under those sections of the Code; and

WHEREAS, certain provisions of the Reimbursement Regulations require that there be a Declaration of Official Intent no later than 60 days following payment of the Original Expenditures expected to be reimbursed from proceeds of SRF Loans, and that the reimbursement occur within certain prescribed time periods after an Original Expenditure is paid or after the property resulting from that Original Expenditure is placed in service; and

WHEREAS, the City wishes to take steps to comply with the Reimbursement Regulations.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA:

Section 1: That the foregoing 'WHEREAS' clauses are ratified and confirmed as being true and correct and are incorporated into this Resolution.

Section 2: Definitions. The following definitions apply to the terms used herein:

"Authorized Officer" means the City Manager or any person designated for the purpose by the City Manager.

"Declaration of Official Intent" means a declaration of intent, in the form, manner and time contemplated in the Reimbursement Regulations, that the advances for expenditures referred to therein are reasonably expected to be reimbursed from the proceeds of SRF Loans to be issued after those expenditures are paid.

"Reimbursement" or "reimburse" means the restoration to the Borrower of money temporarily advanced from its own funds and spent for Original Expenditures before the approval of the SRF Loans, evidenced in writing by an allocation on the books and records of the Borrower that shows the use of the SRF Loans to restore the money advanced for the Original Expenditure.

Section 3: Authorization and Requirement of Declarations of Official Intent. Each Authorized Officer is authorized to prepare and sign Declarations of Official Intent, in substantially the form attached, with respect to Original Expenditures to which the Reimbursement Regulations apply, to be made from money temporarily advanced and that is reasonably expected to be reimbursed (in accordance with applicable authorizations, policies and practices) from the proceeds of SRF Loans, to make appropriate reimbursement and timely allocations from the proceeds of the SRF Loans to reimburse such prior expenditures, and to take any other actions as may be appropriate, all at the times and in the manner required under the Reimbursement Regulations in order for the reimbursement to be treated as an expenditure of such proceeds for purposes of Sections 103 and 141 to 150 of the Code. No advance from any fund or account or order for payment may be made for Original Expenditures (other than expenditures excepted from such requirement under the Reimbursement Regulations) that are to be reimbursed subsequently from proceeds of SRF Loans unless a Declaration of Official Intent with respect thereto is made within the time required by the Reimbursement Regulations.

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, RELATING TO THE STATE REVOLVING FUND PROGRAM, AUTHORIZING DECLARATIONS OF OFFICIAL INTENT UNDER U.S. TREASURY REGULATIONS WITH RESPECT TO REIMBURSEMENTS FROM STATE REVOLVING FUND PROGRAM PROCEEDS FOR TEMPORARY ADVANCES MADE FOR PAYMENTS PRIOR TO ISSUANCE, AND RELATED MATTERS.

Section 4: That this Resolution shall be in full force and effect immediately upon its passage and adoption.

PASSED AND ADOPTED this _____ day of _____, 2021.

JOSH LEVY, MAYOR

ATTEST:

PATRICIA A. CERNY, MMC
CITY CLERK

APPROVED AS TO FORM AND LEGAL
SUFFICIENCY for the use and reliance
of the City of Hollywood, Florida, only.

DOUGLAS R. GONZALES
CITY ATTORNEY