

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, RELATING TO A DEBT FINANCING TO FUND CERTAIN CAPITAL IMPROVEMENT PROJECTS CONTAINED IN THE PROPOSED FY 2017 – FY 2021 CAPITAL IMPROVEMENT PROGRAM, AUTHORIZING A DECLARATION OF OFFICIAL INTENT UNDER U.S. TREASURY REGULATIONS WITH RESPECT TO REIMBURSEMENTS FROM THE PROCEEDS OF THE DEBT FINANCING FOR TEMPORARY ADVANCES MADE FOR PAYMENT PRIOR TO ISSUANCE, AND RELATED MATTERS.

WHEREAS, the City of Hollywood, Florida desires to undertake and commence certain capital improvement projects contained in the proposed FY 2017 - FY 2021 Capital Improvement Program; and

WHEREAS, the City of Hollywood, Florida intends to secure funds through debt financing to facilitate the undertaking and commencement of the above identified capital improvement projects; and

WHEREAS, United States Treasury Regulations §1.150-2 (the “Reimbursement Regulations”) prescribe conditions under which proceeds of a debt financing used to reimburse advances made for capital and certain other expenditures (“Original Expenditures”) paid before the issuance of such debt instrument 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 of the debt financing 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 the debt financing, and that the reimbursement occur within certain prescribed time periods after an Original Expenditure is paid or after the property resulting from the Original Expenditure is placed in service; and

WHEREAS, the City of Hollywood, Florida (the “Borrower”) 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: 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 reimburse from the proceeds of the debt financing 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 debt financing, evidenced in writing by an allocation on the books and records of the Borrower that shows the use of the proceeds of the debt financing to restore the money advanced for the Original Expenditure.

Section 2: 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 the debt financing, to make appropriate reimbursement and timely allocations from the proceeds of the debt financing 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 the debt financing unless a Declaration of Official Intent with respect thereto is made within the time required by the Reimbursement Regulations.

Resolution Relating to a Debt Financing to Provide Funding for Certain Proposed FY 2017 – FY 2021 Capital Improvement Projects and Authorizing a Declaration of Official Intent Under Applicable U.S. Treasury Regulations to Reimburse from the Debt Financing Proceeds for Temporary Advances.

Section 3: That this resolution shall be in full force and effect immediately upon its passage and adoption.

PASSED AND ADOPTED this ____ day of _____, 2017.

JOSH LEVY, MAYOR

ATTEST:

PATRICIA A. CERNY, MMC
CITY CLERK

APPROVED AS TO FORM & LEGALITY
For the use and reliance of the
City of Hollywood, Florida, only.

ALAN FALLIK, ACTING CITY ATTORNEY