

RESOLUTION NO. 23 , 2022

RESOLUTION DELEGATING AUTHORITY TO MAKE DECLARATIONS OF OFFICIAL INTENT AND ALLOCATIONS WITH RESPECT TO REIMBURSEMENTS OF TEMPORARY ADVANCES DURING FISCAL YEARS 2023 AND 2024 MADE FOR CAPITAL IMPROVEMENTS TO BE MADE FROM SUBSEQUENT BORROWINGS FOR THE MONTGOMERY QUARTER REDEVELOPMENT PROJECT (FORMERLY KNOWN AS THE GATEWAY REDEVELOPMENT PROJECT)

WHEREAS, Treasury Regulation §1.150-2 (the "Reimbursement Regulations"), issued pursuant to Section 150 of the Internal Revenue Code of 1986, as amended, (the "Code") prescribes certain requirements by which proceeds of tax-exempt bonds, notes, certificates or other obligations included in the meaning of "bonds" under Section 150 of the Code ("Obligations") used to reimburse advances made for Capital Expenditures (as hereinafter defined) paid before the issuance of such Obligations may be deemed "spent" for purposes of Sections 103 and 141 to 150 of the Code and therefore, not further subject to any other requirements or restrictions under those sections of the Code; and

WHEREAS, such Reimbursement Regulations require that an Issuer (as hereinafter defined) make a Declaration of Official Intent (as hereinafter defined) to reimburse any Capital Expenditure paid prior to the issuance of the Obligations intended to fund such Capital Expenditure and require that such Declaration of Official Intent be made no later than sixty (60) days after payment of the Capital Expenditure and further require that any Reimbursement Allocation (as hereinafter defined) of the proceeds of such Obligations to reimburse such Capital Expenditures occur no later than eighteen (18) months after the later of the date the Capital Expenditure was paid or the date the property acquired with the Capital Expenditure was placed in service, except that any

such Reimbursement Allocation must be made no later than three years after such Capital Expenditure was paid; and

WHEREAS, the Reimbursement Regulations provide that an Issuer may delegate the authority for making such Declarations of Official Intent and Allocations to one or more individuals; and

WHEREAS, this Council wishes to ensure compliance with the Reimbursement Regulations.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Montgomery, Hamilton County, Ohio (the "City"), that:

SECTION 1. Definitions. The following definitions apply to the terms used herein:

"Allocation" means written evidence that proceeds of Obligations issued subsequent to the payment of a Capital Expenditure are to reimburse the City for such payments. "To allocate" means to make such an allocation.

"Authorized Officer" means City Manager or Director of Finance of the City and any persons with authority at the time to exercise functions of those offices.

"Capital Expenditure" means any expense for an item that is properly depreciable or amortizable or is otherwise treated as a capital expenditure for purposes of the Code, as well as any costs of issuing Reimbursement Bonds.

"Declaration of Official Intent" means a written declaration that the City intends to fund Capital Expenditures with an issue of Reimbursement Bonds and reasonably expects to be reimbursed from the proceeds of such an issue.

"Issuer" means either a governmental unit that is reasonably expected to

issue Obligations or any governmental entity or 501(c)(3) organization that is reasonably expected to borrow funds from the actual issuer of the Obligations.

"Reimbursement" means the restoration to the City of money temporarily advanced from other funds, including moneys borrowed from other sources, of the City to pay for Capital Expenditures before the issuance of Obligations intended to fund such Capital Expenditures.

"To reimburse" means to make such a restoration.

"Reimbursement Bonds" means Obligations that are issued to reimburse the City for Capital Expenditures, and for certain other expenses permitted by the Reimbursement Regulations, previously paid by or for the City.

"Reimbursement Regulations" means Treasury Regulation §150-2 and any amendments thereto or superseding regulations, whether in proposed, temporary or final form, as applicable, prescribing conditions under which the proceeds of Obligations may be allocated to reimburse the City for Capital Expenditures and certain other expenses paid prior to the issuance of the Obligations such that the proceeds of such Obligations will be treated as "spent" for purposes of Sections 103 and 141 to 150 of the Code.

SECTION 2. Declaration of Official Intent.

(a) The City declares that it reasonably expects that the Capital Expenditures described in Section (b), which were paid no earlier than sixty (60) days prior to the date hereof, or which will be paid prior to the issuance of any Obligations intended to fund such Capital Expenditures, will be reimbursed with the proceeds of Obligations, representing a borrowing by the City or other governmental issuer in the maximum principal amount, for such Reimbursements, of \$20,000,000; and

(b) The Capital Expenditures made in fiscal years 2023 and 2024 to be reimbursed are to be used for design and engineering, site preparation, construction of public infrastructure improvements, and related costs for the Montgomery Quarter Redevelopment Project (formerly known as the Gateway Redevelopment Project).

SECTION 3. Reasonable Expectations. The City does not expect any other funds (including the money advanced to make the Capital Expenditures that are to be reimbursed) to be reserved, allocated on a long-term basis, or otherwise set aside by the City or any other entity, with respect to the Capital Expenditures for the purposes described in Section 2(b).

SECTION 4. Open Meeting. It is found and determined that all formal actions of this Council concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Council; and that all deliberations of this Council and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with the law.

SECTION 5. Effective Date. This Resolution shall be in full force and effect from and after its passage.

PASSED: July 6, 2022

ATTEST: Connie M. Gaylor
Connie M. Gaylor, Clerk of Council

Craig D. Margolis
Craig D. Margolis, Mayor

APPROVED AS TO FORM:

Terrence M. Donnellon
Terrence M. Donnellon, Law Director