

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILPITAS DECLARING INTENTION TO REIMBURSE EXPENDITURES RELATING TO FIRE STATION NO. 2 REPLACEMENT PROJECT FROM THE PROCEEDS OF TAX-EXEMPT OBLIGATIONS**

**WHEREAS**, the City of Milpitas (the “City”) owns and operates various fire stations; and

**WHEREAS**, the City Council approved the Fire Station No. 2 Replacement Project (“Project”) as part of the approval of the FY 2019-20 Adopted Budget with an estimated cost of nearly \$21 million; and

**WHEREAS**, in order to provide funds to finance the Project, the City Council intends to issue and sell tax-exempt lease revenue bonds through the Municipal Financing Authority, a joint-powers agency (the “Authority”) of which the City is a member, in an expected maximum principal amount of approximately \$13,000,000, which are expected to be payable from General Fund revenues (the “General Fund Lease Revenue Bonds”); and

**WHEREAS**, in order to use the proceeds of the General Fund Lease Revenue Bonds to reimburse advances made by the City for the Project before the date of issuance of such bonds, but not more than 60 days before the date of adoption of this Resolution, Section 1.150-2 of the Regulations of the United States Department of Treasury (the “Regulations”) requires that the City Council declare its intention to reimburse such advances from the proceeds of the General Fund Lease Revenue Bonds, respectively; and

**WHEREAS**, it is in the public interest and for the public benefit that the City Council declare its official intent to reimburse the expenditures referenced herein.

**NOW, THEREFORE**, the City Council of the City of Milpitas hereby finds, determines, and resolves as follows:

**Section 1. Declaration of Intent – General Fund Lease Revenue Bonds.** The City Council hereby declares that it reasonably expects to issue the General Fund Lease Revenue Bonds and to use a portion of the proceeds thereof to reimburse expenditures made by the City for the Project before the date of issuance of the General Fund Lease Revenue Bonds, and not more than 60 days before the date of adoption of this Resolution. It is intended that this Resolution shall constitute a declaration of “official intent” within the meaning of Section 1.150-2 of the Regulations. The adoption of this Resolution shall not bind the City to proceeds with the execution and delivery of the General Fund Lease Revenue Bonds until and unless all other necessary action and approvals are taken or received in accordance with all applicable laws.

**Section 2. Expected Maximum Principal Amount.** The General Fund Lease Revenue Bonds shall be issued in an aggregate principal amount which is sufficient to raise funds for the Project, which is expected to be in the maximum principal amount of \$13,000,000. The General Fund Lease Revenue Bonds are expected to be issued by the Authority for the purpose of providing tax-exempt financing for the Project.

**Section 3. Fund Accounting.** The City reasonably expects as of the date hereof that the expenditures to be made with respect to the Project from the funds of the City will be made from the City’s General Fund.

**Section 4. Effective Date.** This Resolution shall take effect from and after the date of its passage and adoption.

PASSED AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2019, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

APPROVED:

\_\_\_\_\_  
Mary Lavelle, City Clerk

\_\_\_\_\_  
Rich Tran, Mayor

APPROVED AS TO FORM:

\_\_\_\_\_  
Christopher J. Diaz, City Attorney