

## **RESOLUTION NO. 2024-20**

### **RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEEDLES DECLARING ITS INTENT TO ISSUE TAX-EXEMPT OBLIGATIONS TO BE USED TO REIMBURSE THE CITY OF NEEDLES FOR EXPENDITURES TO BE MADE PRIOR TO THE ISSUANCE OF SUCH OBLIGATIONS**

**WHEREAS**, the City of Needles (the “City”) desires to finance certain costs related to completing park improvements for Duke Watkins Park, acquisition and construction of a new park for Marina Park, construction of walking and bike path and certain other improvements for Jack Smith Park (the “Projects”); and

**WHEREAS**, in connection therewith, the City anticipates issuing a grant anticipation note (the “Grant Anticipation Note”) for the purpose of completing the Projects; and

**WHEREAS**, the City intends to use proceeds from the Grant Anticipation Note, the interest upon which is to be excluded from gross income for federal income tax purposes (the “Obligations”), to finance portions of the Projects; and

**WHEREAS**, pursuant to Treasury Regulations Section 1.150-2, the City may reimburse amounts advanced by the City for the Projects if, not later than sixty (60) days after payment of the original expenditure of an amount advanced by the City, the City Council of the City (the “City Council”) adopts an official intent to reimburse the original expenditure, and such reimbursement occurs not later than eighteen (18) months after the later of the date the original expenditure is paid or the date the Projects are placed in service, but in no event more than three (3) years after the original expenditure is paid; and

**WHEREAS**, the City expects to incur certain expenditures relating to the Projects and to pay for such expenditures from certain moneys on hand prior to the issuance of the Obligations; and

**WHEREAS**, the City reasonably expects and intends to use a portion of the proceeds of the Obligations to reimburse the City for expenditures made prior to the date the Obligations are entered into and issued.

**NOW THEREFORE, BE IT RESOLVED** by the City Council of the City of Needles as follows:

**Section 1. Recitals.** All of the recitals hereinabove set forth are true and correct.

**Section 2. Declaration of Official Intent to Reimburse.** The City Council hereby declares its official intent to reimburse the City for amounts advanced by the City from the City’s general fund for the design, construction, acquisition, installation, and equipping of the Projects from proceeds of the sale of the Obligations. It is intended that this Resolution shall constitute a declaration of “official intent” within the meaning of

Treasury Regulations Section 1.150-2 promulgated under Section 150 of the Internal Revenue Code of 1986, as amended.

**Section 3. Expected Maximum Principal Amount.** The Obligations shall be issued in in the expected maximum principal amount of \$4,000,000. The Obligations are expected to be issued by the City for the purpose of providing tax-exempt financing for the Projects.

**Section 4. Other Approvals.** The adoption of this Resolution shall not bind the City to proceed with execution and delivery of the Obligations until and unless all other necessary actions and approvals are taken or received in accordance with all applicable laws.

**Section 5. Effective Date.** This Resolution shall take effect upon its adoption.

**PASSED, APPROVED and ADOPTED** at a regular meeting of the City of Needles, held on the \_\_\_th day of \_\_\_\_\_, 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Mayor of the City of Needles

**Attest:**

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City Clerk of the City of Needles

**(Seal)**