

RESOLUTION NO. 2023-06

A RESOLUTION DECLARING THE OFFICIAL INTENT OF THE CITY OF SPRING LAKE PARK TO REIMBURSE CERTAIN EXPENDITURES FROM THE PROCEEDS OF TAX-EXEMPT BONDS TO BE ISSUED BY THE CITY OF SPRING LAKE PARK

WHEREAS, the Internal Revenue Service has issued Treas. Reg. § 1.150-2 (the “Reimbursement Regulations”) providing the proceeds of tax-exempt bonds used to reimburse prior expenditures will not be deemed spent unless certain requirements are met; and

WHEREAS, the City expects to incur certain expenditures that may be financed temporarily from sources other than bonds, and reimbursed from the proceeds of a tax-exempt bond; and

WHEREAS, the City has determined to make this declaration of official intent (“Declaration”) to reimburse certain costs from proceeds of bonds in accordance with the Reimbursement Regulations.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SPRING LAKE PARK, MINNESOTA AS FOLLOWS:

1. The City proposes to undertake the renovation and expansion of its City Hall facility located at 1301 81st Avenue NE, Spring Lake Park, MN (the “Project”).
2. The City reasonably expects to reimburse the expenditures made for certain costs of the Project from the proceeds of bonds in an estimated maximum principal amount of \$9,000,000. All reimbursed expenditures will be capital expenditures, costs of issuance of the bonds, or other expenditures eligible for reimbursement under Section 1.150-2(d)(3) of the Reimbursement Regulations.
3. This Declaration has been made not later than sixty (60) days after payment of any original expenditure to be subject to a reimbursement allocation with respect to the proceeds of bonds, except for the following expenditures: (a) costs of issuance of tax-exempt obligations; (b) costs in an amount not in excess of \$100,000 or 5 percent of the proceeds of an issue; or (c) “preliminary expenditures” up to an amount not in excess of twenty percent (20%) of the aggregate issue price of the issue or issues that finance or are reasonably expected by the City to finance the project for which the preliminary expenditures were incurred. The term “preliminary expenditures” includes architectural, engineering, surveying, tax-exempt obligation issuance, and similar costs that are incurred prior to commencement of acquisition, construction or rehabilitation of a project, other than land acquisition, site preparation, and similar costs incident to commencement of construction.
4. This Declaration is an expression of the reasonable expectations of the City based on the facts and circumstances known to the City as of the date hereof. The anticipated

original expenditures for the Project and the principal amount of the bonds described in paragraph 2 are consistent with the City's budgetary and financial circumstances. No sources other than proceeds of bonds to be issued by the City are, or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside pursuant to the City's budget or financial policies to pay such Project expenditures.

5. This Declaration is intended to constitute a declaration of official intent for purposes of the Reimbursement Regulations.

The foregoing resolution was moved for adoption by

Upon roll call, the following voted aye:

And the following voted nay: None.

Whereupon the Mayor declared said resolution duly passed and adopted this 6th day of February, 2023.

Robert Nelson, Mayor

ATTEST:

Daniel R. Buchholtz, Administrator, Clerk/Treasurer

State of Minnesota)
Counties of Anoka and Ramsey)ss
City of Spring Lake Park)

I, Daniel R. Buchholtz, duly appointed and qualified Administrator, Clerk/Treasurer in and for the City of Spring Lake Park, Anoka and Ramsey Counties, Minnesota, do hereby certify that the foregoing is a true and correct copy of Resolution No. 2023-06, A Resolution Declaring the Official Intent of the City Of Spring Lake Park to Reimburse Certain Expenditures from the Proceeds of Tax-Exempt Bonds to be Issued by the City Of Spring Lake Park, adopted by the Spring Lake Park City Council at their regular meeting on the 6th day of February 2023.

Daniel R. Buchholtz
Administrator, Clerk/Treasurer

(SEAL)

Dated: _____