

RESOLUTION NO. 2020-105

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE DECLARING INTENT TO REIMBURSE THE OLD TOWN PLAZA PHASES 2 AND 3 PROJECT (WCE022) FROM THE PROCEEDS OF CERTAIN TAX-EXEMPT OBLIGATIONS AND DIRECTING CERTAIN ACTIONS

WHEREAS, the Old Town Plaza Phases 2 and 3 (WCE022) Project (Project) will result in a complete park plaza with a formal entrance to the plaza, trellis structures, concrete seat wall seating, a large open space pavilion, public art, a performance lawn, site lighting, bike parking, park signage and hardscape and landscape areas; and

WHEREAS, the City of Elk Grove (the "City") proposes to undertake the project, to issue, or cause the issuance of, debt for such project and to use a portion of the proceeds of such debt to reimburse expenditures made for the project prior to the issuance of the debt; and

WHEREAS, some portion of the Debt proceeds will be allocated and fund a portion of the Old Town Plaza Phases 2 and 3 (WCE022) Project; and

WHEREAS, United States Income Tax Regulations section 1.150-2 provides generally that proceeds of tax-exempt debt are not deemed to be expended when such proceeds are used for reimbursement of expenditures made prior to the date of issuance of such debt unless certain procedures are followed, one of which is a requirement that (with certain exceptions), prior to the payment of any such expenditure, the issuer declare an intention to reimburse such expenditure; and

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

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Elk Grove hereby:

- 1) Declares that it reasonably expects to issue or cause the issuance of the Debt for the purpose of financing the costs of construction of the Old Town Plaza Phases 2 and 3 (WCE022) Project improvements, and incidental expenses related thereto 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 Debt, and not more than 60 days before the date of adoption of this Resolution; and
- 2) The maximum principal amount of the Debt obligations is estimated to be \$10,500,000, of which a portion will be allocated to fund the Old Town Plaza Phases 2 and 3 (WCE022) and the balance for other City projects; and
- 3) Declares this Resolution shall take effect from and after the date of its passage and adoption.

PASSED AND ADOPTED by the City Council of the City of Elk Grove this 13th day of May 2020.



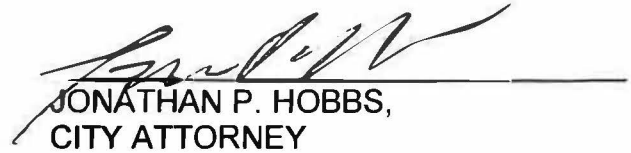
STEVE LY, MAYOR of the
CITY OF ELK GROVE

ATTEST:



JASON LINDGREN, CITY CLERK

APPROVED AS TO FORM:



JONATHAN P. HOBBS,
CITY ATTORNEY

CERTIFICATION
ELK GROVE CITY COUNCIL RESOLUTION NO. 2020-105

STATE OF CALIFORNIA)
COUNTY OF SACRAMENTO) **ss**
CITY OF ELK GROVE)


I, Jason Lindgren, City Clerk of the City of Elk Grove, California, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the City Council of the City of Elk Grove at a regular meeting of said Council held on May 13, 2020 by the following vote:

AYES: COUNCILMEMBERS: *Ly, Detrick, Hume, Nguyen, Suen*

NOES: COUNCILMEMBERS: *None*

ABSTAIN: COUNCILMEMBERS: *None*

ABSENT: COUNCILMEMBERS: *None*


Jason Lindgren, City Clerk
City of Elk Grove, California