

ORDINANCE 17-3562

AN ORDINANCE DECLARING OFFICIAL INTENT WITH RESPECT TO REIMBURSEMENTS OF TEMPORARY ADVANCES MADE FOR CAPITAL EXPENDITURES FOR LAND ACQUISITION IN THE VILLAGE OF SILVERTON TO BE MADE FROM SUBSEQUENT BORROWINGS AND DECLARING AN EMERGENCY

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

NOW, THEREFORE BE IT ORDAINED by the Council of the Village of Silverton Hamilton County, Ohio:

SECTION I.

Definitions. That 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.

"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 Village intends to fund land acquisition 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 Village of money temporarily advanced from other funds, including moneys borrowed from other sources, of the Village 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 Village for Capital Expenditures, and for certain other expenses permitted by the Reimbursement Regulations, previously paid by or for the Village.

“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 Village 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 II.

Declaration of Official Intent.

- (a) The Issuer declares that it reasonably expects that the Capital Expenditures described in Section (b), which were paid no earlier than sixty 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 Issuer or other governmental issuer in the maximum principal amount, for such Reimbursements, of \$140,000 for the acquisition of property at 6817 Park Avenue; and
- (b) The Capital Expenditures to be reimbursed are to be used for the construction of public infrastructure improvements and related costs including (i) land acquisition of 6817 Park Avenue.

SECTION III.

Reasonable Expectations.

The Issuer 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 Issuer or any other entity, with respect to the Capital Expenditures for the purposes described in Section 2(b).

SECTION VI.

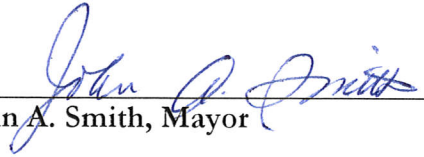
Open Meeting.

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 V.


This Ordinance is declared to be an emergency measure necessary to preserve the public peace, health, safety and welfare of the citizens of the Village of Silverton; the reason for the emergency being the immediate need to be in compliance with the reimbursement regulations as soon as possible. Accordingly, this Ordinance shall take effect and be in force from and after its passage and approval.

Passed this 20th day of July, 2017.



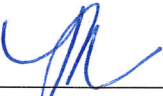
John A. Smith, Mayor

ATTEST:



Thomas M. Carroll, Village Manager

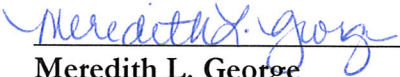
Approved as to form:



Bryan E. Pacheco, Village Solicitor

CERTIFICATION:

I, Meredith L. George, Clerk of Council of the Village of Silverton, County of Hamilton, State of Ohio; do hereby certify that there is no newspaper published in said municipality and that publication of the foregoing Ordinance No. 17-3562 has been duly made by posting true copies in three (3) of the most public places in said municipality, as determined by Council as follows: 1) Parkview Lane at Railroad; 2) Silverton Municipal Building and 3) The Village of Silverton's Website. Said posting was for a period of fifteen days commencing July 21, 2017.



Meredith L. George
Clerk of Council of Silverton, Ohio