

RESOLUTION NO. 138-25

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF DELRAY BEACH DECLARING THE CITY OF DELRAY BEACH'S OFFICIAL INTENT TO SEEK REIMBURSEMENT FROM PROCEEDS OF DEBT OBLIGATIONS, ISSUED IN THE PRINCIPAL AMOUNT NOT EXPECTED TO EXCEED \$100,000,000, FOR CERTAIN CAPITAL EXPENDITURES MADE OR TO BE MADE FOR CAPITAL PROJECTS RELATING TO PUBLIC SAFETY FACILITIES CONSISTING OF RENOVATING AND IMPROVING THE EXISTING POLICE STATION AND CERTAIN FIRE STATIONS; PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEALER; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

WHEREAS, the City of Delray Beach, Florida (the "City") proposes to issue general obligations in one or more series from time to time (the "Bonds") to finance all or a portion of the costs of renovating and improving the existing police station located at 300 W. Atlantic Avenue, Delray Beach, Florida, the Fire Station 111 located at 501 W. Atlantic Avenue, Delray Beach, Florida and other fire stations located within the City referred to as fire stations 112, 114, 115 and the Ocean Rescue Headquarters located at 340 South Ocean Boulevard (herein collectively, the "Projects"); and

WHEREAS, the City has incurred, and anticipates that it will incur, certain preliminary expenditures ("Preliminary Expenditures") and capital expenditures ("Capital Expenditures") relating to the Projects; and

WHEREAS, the Internal Revenue Code of 1986, as amended (the "Code"), and applicable regulations (the "Regulations"), require the City to declare its official intent in connection with incurring certain Preliminary Expenditures and Capital Expenditures in connection with the Projects, prior to the issuance of the Bonds, in order to allow the City to be reimbursed for such expenditures from a portion of the proceeds of the Bonds; and

WHEREAS, it is intended by the City Commission, acting as the governing body of the City (the "Commission"), that this Resolution constitutes such official intent with respect to the reimbursement of certain Preliminary Expenditures and Capital Expenditures incurred, or to be incurred, prior to the closing of the Bonds; and

WHEREAS, such Preliminary Expenditures and Capital Expenditures incurred for a portion of the Projects were paid, or will initially be paid, from the general operating funds of the City prior to its intended reimbursement from the proceeds of the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF DELRAY BEACH:

Section 1. The recitals set forth above are adopted by the Commission as the findings of the City and are incorporated herein.

Section 2. The statements contained in this Resolution, with respect to the reimbursement of the Preliminary Expenditures and Capital Expenditures referred to in this Resolution, are intended to be statements of official intent as required by, and in conformance with, the provisions of Section 1.150-2e of the Regulations.

Section 3. The Preliminary Expenditures and Capital Expenditures, to be reimbursed pursuant to this Resolution, will be incurred prior and subsequent to the date hereof, provided that the earliest date is not more than sixty (60) days prior to the date of adoption of this resolution.

Section 4. The maximum principal amount of the Bonds that may be issued for the Projects is not expected to exceed \$100,000,000.

Section 5. The City reasonably expects to reimburse the expenditures contemplated under this Resolution with a portion of the proceeds of the Bonds of the City issued subsequent to the date hereof, and no funds from other sources other than the “reimbursement bond issue” (as such term has the meaning assigned to it under the Regulations) portion of the Bonds are, or are reasonably expected to be; reserved, allocated on a long term basis, or otherwise set aside by the City pursuant to the City’s budgeted or financial policies to pay for such expenditures. It is expected that the Bonds will be secured by a pledge of ad valorem taxes levied against all non-exempt property after approval by voter referendum.

Section 6. The City will, upon receipt of the proceeds of the Bonds (or within 30 days thereof), allocate, in writing, the amounts of proceeds of the Bonds (i.e., the reimbursement bond issue) used to reimburse the prior Preliminary Expenditures and Capital Expenditures incurred in connection with the Projects (herein, the “Prior Expenditures”). Such allocation will be accomplished within the later of 18 months from the earliest date such Prior Expenditures were incurred or the date the Projects are placed in service (but in no event later than 3 years after the first Prior Expenditure was made).

Section 7. If any section, subsection, clause or provision of this resolution is held invalid, the remainder shall not be affected by such invalidity.

Section 8. All resolutions or parts of resolutions in conflict herewith shall be and hereby repealed.

Section 9. This resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED in regular session on the ___ day of _____, 2025.

ATTEST:

Alexis Givings, City Clerk

Thomas F. Carney, Jr., Mayor

Approved as to form and legal sufficiency:

Lynn Gelin, City Attorney