

RESOLUTION 390 -2022

DECLARATION OF OFFICIAL INTENT WITH RESPECT TO REIMBURSEMENT OF TEMPORARY ADVANCES MADE FOR CAPITAL EXPENDITURES TO BE MADE FROM SUBSEQUENT BORROWINGS, WITH RESPECT TO VARIOUS CAPITAL IMPROVEMENT PROJECTS OF THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT.

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 encumbered 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 procurement 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, the Lexington-Fayette Urban County Government (the “Issuer”) wishes to ensure compliance with the Reimbursement Regulations;

NOW, THEREFORE, be it resolved by the Lexington-Fayette Urban County Council (the “Urban County Council”) of the Issuer that:

SECTION 1. Definitions.

The following definitions apply to the terms used herein:

“Allocation” means written evidence that proceeds of Obligations issued subsequent to the procurement of a Capital Expenditure are to reimburse the Issuer 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 Issuer intends to fund Capital Expenditures with an issue of Reimbursement Bonds and reasonably expects to be reimbursed from the proceeds of such an issue.

“Issuer” means a governmental unit that is reasonably expected to issue the Obligations.

“Reimbursement” means the restoration to the Issuer of money temporarily advanced from other funds, including moneys borrowed from other sources, of the Issuer 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 Issuer for Capital Expenditures, and for certain other expenses permitted by the Reimbursement Regulations, previously paid by or for the Issuer.

“Reimbursement Regulations” means Treasury Regulation § 150-2 and any amendments thereto or superseding regulations, whether in proposed, temporary or final form, as applicable,


GIVEN FIRST READING at a duly convened meeting of the Urban County Council of Lexington-Fayette Urban County Government on the 5th day of July, 2022.

GIVEN SECOND READING, ENACTED AND ADOPTED at a duly convened meeting of the Urban County Council of Lexington-Fayette Urban County Government on the 7th day of July, 2022.

Approved:
**LEXINGTON-FAYETTE URBAN COUNTY
GOVERNMENT**

By: 
Linda Gorton
Mayor

ATTEST:


Abigail Allan
Clerk
Urban County Council

CERTIFICATION

I, the undersigned, do hereby certify that I am the duly qualified and acting Urban County Council Clerk of the Lexington-Fayette Urban County Government, and as such Urban County Council Clerk, I further certify that the foregoing is a true, correct and complete copy of a Resolution duly enacted by the Council of Lexington-Fayette Urban County Government at a duly convened meeting held on the 7th day of July, 2022, on the same occasion signed by the Mayor is evidence of her approval, and now in full force and effect, all as appears from the official records of Lexington-Fayette Urban County Government in my possession and under my control.

Witness my signature as of the 7th day of July, 2022.



Abigail Allan
Clerk
Urban County Council

[SEAL]

CERTIFICATE

I do hereby certify that the title to this enactment contains an accurate synopsis of the contents thereof and may be used to satisfy the reading and publication requirements of law.



DINSMORE & SHOHL LLP

John C. Merchant

EXHIBIT A

PROJECT DESCRIPTION

Project Description	Amount
Mason Headley Road Construction / Improvements	\$ 1,372,000
High Street Road Improvements	5,000,000
Paving / Resurfacing / Maintenance / Crack Seal / Rejuvenation	11,500,000
Detention Center Roof Repair and Replacement	10,000,000
Public Art Project	1,500,000
PDR Agricultural Land Easement Acquisition	2,000,000
Total	\$31,372,000