

CITY OF FRANKLIN, OHIO
RESOLUTION 2022-87

**DECLARING OFFICIAL INTENT UNDER U.S. TREASURY REGULATIONS TO REIMBURSE ORIGINAL EXPENDITURES
FROM NOTE AND BOND PROCEEDS**

WHEREAS, Treasury Regulation §1.150-2, issued pursuant to Section 150 of the Internal Revenue Code of 1986, as amended (the “Code”), prescribes certain requirements by which proceeds of bonds, notes, certificates, or other obligations, the interest on which are excluded from the gross income of their holders for federal income tax purposes (“tax-exempt obligations”), may be used to reimburse advances made for Original Expenditures (as defined in Treasury Regulation § 1.150-2) paid before the issuance of the tax-exempt obligations;

WHEREAS, Treasury Regulation §1.150-2 requires that this Council, on behalf of the City of Franklin, as an “Issuer” of tax-exempt obligations, make a declaration of “Official Intent” (as defined in Treasury Regulation § 1.150-2) to reimburse Original Expenditures paid prior to the issuance of the tax-exempt obligations intended to fund such Original Expenditures no later than 60 days after payment of the Original Expenditures;

WHEREAS, Treasury Regulation §1.150-2 further requires that any proceeds of any tax-exempt obligations be used to reimburse the Original Expenditures no later than 18 months after the later of the date of payment of the Original Expenditures or the date the property resulting from the Original Expenditures is placed in service, but in no event more than three years after payment of the Original Expenditures;

WHEREAS, as further described and authorized by Resolution 2022-63 of this Council, adopted on August 15, 2022 (the “Authorizing Resolution”), the City of Franklin desires to purchase certain real property situated at 50 East Sixth Street, Franklin, Ohio, more commonly referred to as the old Boxboard property (the “Property”), and to finance Original Expenditures incurred in connection with the acquisition, construction, installation, equipping, improvement, and furnishing of the Property (the “Project”) from the proceeds of tax-exempt obligations; and,

WHEREAS, to comply with the Treasury Regulation with respect to the reimbursement of Original Expenditures this Council has determined to adopt this Resolution.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Franklin, Ohio, a majority of members present concurring, that:

Section 1. The Council of the City of Franklin reasonably expects that Original Expenditures for the Project will be reimbursed with the proceeds of tax-exempt obligations to be issued by the City, as issuer, or issued by a conduit issuer and loaned to the City as a conduit borrower.

Section 2. The maximum principal amount of tax-exempt obligations to be issued to finance the Project is currently expected not to exceed \$1,800,000. The City intends to make a reimbursement allocation on its books for the Original Expenditures within the “reimbursement period” set forth under Treasury Regulation §1.150-2(d)(2).

Section 3. The purpose of this Resolution is for the Council to declare its “Official Intent” to reimburse Original Expenditures for the Project from the proceeds of tax-exempt obligations within the meaning of Treasury Regulation §1.150-2.

Section 4. It is found 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 that resulted in this formal action occurred in meetings open to the public in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code, and the Rules of Council.

Section 5. This Resolution shall become effective immediately upon its passage.

ADOPTED: December 19, 2022

ATTEST: Khristi Dunn
Khristi Dunn, Clerk of Council

APPROVED: Brent Centers
Brent Centers, Mayor

CERTIFICATE

I, the undersigned Clerk of Council for the Franklin City Council, do hereby certify that the foregoing is a true and correct copy of a resolution passed by that body on December 19, 2022.

Khristi Dunn
Khristi Dunn, Clerk of Council