

RESOLUTION NO.

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A RESOLUTION OF THE CITY COUNCIL OF RIVERSIDE, CALIFORNIA,
REGARDING INTENTION TO ISSUE TAX-EXEMPT OBLIGATIONS.

WHEREAS, the City desires to finance the costs of acquiring, constructing and installing certain public facilities and improvements, consisting of a renovation and expansion of the Museum of Riverside, as provided in Exhibit A attached hereto and incorporated herein (the “Project”); and

WHEREAS, the City intends to finance the acquisition, construction and installation of the Project or portions of the Project with the proceeds of the sale of obligations the interest upon which is excluded from gross income for federal income tax purposes (the “Obligations”); and

WHEREAS, the City desires to pay certain costs with respect to the Project from the City’s Measure Z Fund prior to the issuance of the Obligations from available moneys of the City and to reimburse the City’s Measure Z Fund for such costs from a portion of the proceeds of the sale of the Obligations.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Riverside, California, as follows:

Section 1. Recitals True and Correct. The foregoing recitals are true and correct.

Section 2. Reasonable Expectation. The City reasonably expects, and hereby states its intention, to reimburse itself for Project costs incurred prior to the issuance of the Obligations with proceeds of the Obligations. Exhibit A describes either the general character, type, purpose and function of the Project or the fund or account from which Project costs are to be paid and the general functional purpose of the fund or account.

Section 3. Maximum Principal Amount. The reasonably expected maximum principal amount of the Obligations that is anticipated to be used for such reimbursement is up to \$35,000,000.

Section 4. Expenditure Date. Except as described in Section 8 below, this resolution is being adopted not later than 60 days after the payment of the original expenditures (the “Expenditures Date or Dates”).

1 Section 5. Issuance Date. Except as described in Section 8 below, the expected date of
2 issue of the Obligations will be within 18 months of the latter of: (a) the Expenditure Date or Dates;
3 or (b) the date that the Project is placed in service; provided that the reimbursement may not be made
4 more than three years after the Expenditure Date or Dates.

5 Section 6. Use of Reimbursement Proceeds. Proceeds of the Obligations to be used to
6 reimburse the City for Project costs are not expected to be used, within one year of reimbursement,
7 directly or indirectly to pay debt service with respect to any obligation (other than to pay current debt
8 service coming due within the next succeeding one-year period on any tax-exempt obligation of the
9 City (other than the Obligations)) or to be held as a reasonably required reserve or replacement fund
10 with respect to an obligation of the City or any entity related in any manner to the City, or to reimburse
11 any expenditure that was originally paid with the proceeds of any obligation, or to replace funds that
12 are or will be used in such manner.

13 Section 7. No Other Monies. This resolution is consistent with the budgetary and financial
14 circumstances of the City as of the date hereof. No monies from sources other than the Obligations
15 are, or are reasonably expected to be, reserved, allocated on a long-term basis or otherwise set aside
16 by the City (or any related party) pursuant to their budget or financial policies with respect to the
17 Project costs. To the best of our knowledge, this City Council is not aware of the previous adoption
18 of official intents by the City that have been made as a matter of course for the purpose of reimbursing
19 expenditures and for which tax exempt obligations have not been issued.

20 Section 8. Certain Exclusions. The limitations that are described in Sections 4 and 5 above
21 do not apply to: (a) costs of issuance of the Obligations; (b) an amount not in excess of the lesser of
22 \$100,000 or five percent (5%) of the proceeds of the Obligations; or (c) any preliminary expenditures,
23 such as architectural, engineering, surveying, soil testing, and similar costs other than land acquisition,
24 site preparation, and similar costs incident to commencement of construction, not in excess of twenty
25 percent (20%) of the aggregate issue price of the Obligations that finances the Project for which the
26 preliminary expenditures were incurred.

1 Section 9. Official Action. This resolution is adopted as official action of the City in order
2 to comply with Treasury Regulation § 1.150-2 and any other regulations of the Internal Revenue
3 Service relating to the qualification for reimbursement of City expenditures incurred prior to the date
4 of issue of the Obligations, is part of the City's official proceedings, and will be available for
5 inspection by the general public at the main administrative office of the City.

6 Section 10. Effective Date of Resolution. This Resolution shall take effect upon the
7 approval of a majority of the members of the City Council.

8 ADOPTED by the City Council this _____ day of _____, 2022.

10 _____
11 PATRICIA LOCK DAWSON
12 Mayor of the City of Riverside

13 Attest:

14 _____
15 DONESIA GAUSE
16 City Clerk of the City of Riverside

EXHIBIT A

DESCRIPTION OF THE PROJECT

Rehabilitation, renovation, upgrades, and expansion of the Museum of Riverside located at 3580 Mission Inn Avenue.

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