

RESOLUTION NO. 2016-186

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE  
DECLARING INTENTION TO REIMBURSE EXPENDITURES FOR ANIMAL  
SHELTER FROM THE PROCEEDS OF FUTURE BOND ISSUANCES**

**WHEREAS**, the City of Elk Grove (the "City") proposes to undertake the Animal Shelter project referenced below, to issue, or cause the issuance of, debt for such project and to use a portion of the proceeds of such debt to reimburse expenditures made for the project prior to the issuance of the debt; and

**WHEREAS**, United States Income Tax Regulations section 1.150-2 provides generally that proceeds of tax-exempt debt are not deemed to be expended when such proceeds are used for reimbursement of expenditures made prior to the date of issuance of such debt unless certain procedures are followed, one of which is a requirement that (with certain exceptions), prior to the payment of any such expenditure, the issuer declare an intention to reimburse such expenditure; and

**WHEREAS**, it is in the public interest and for the public benefit that the City declare its official intent to reimburse the expenditures referenced herein.

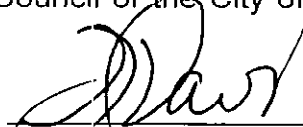
**NOW, THEREFORE, BE IT RESOLVED**, as follows:

**Section 1. Bond Obligations.** The City intends to issue, or cause the issuance of, obligations (the "Obligations") for the purpose of financing the costs of construction of an animal shelter and related facilities, acquisition of furnishings and equipment related to such facility and incidental expenses related thereto (the "Project").

**Section 2. Expenditure Reimbursements.** The City hereby declares that it reasonably expects (i) to pay certain costs of the Project prior to the date of issuance of the Obligations and (ii) to use a portion of the proceeds of the Obligations for reimbursement of expenditures for the Project that are paid before the date of issuance of the Obligations, and that it hereby declares its intention to do so.

**Section 3. Principal.** The maximum principal amount of the Obligations is \$18,000,000.

**PASSED AND ADOPTED** by the City Council of the City of Elk Grove this 12<sup>th</sup> day of October 2016.



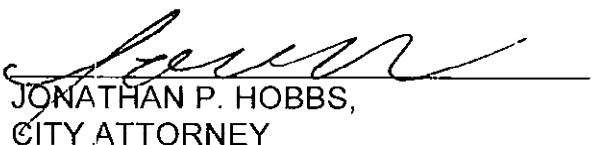
GARY DAVIS, MAYOR of the  
CITY OF ELK GROVE

ATTEST:



JASON LINDGREN, CITY CLERK

APPROVED AS TO FORM:



JONATHAN P. HOBBS,  
CITY ATTORNEY

**CERTIFICATION**  
**ELK GROVE CITY COUNCIL RESOLUTION NO. 2016-186**

STATE OF CALIFORNIA        )  
COUNTY OF SACRAMENTO    )        ss  
CITY OF ELK GROVE         )

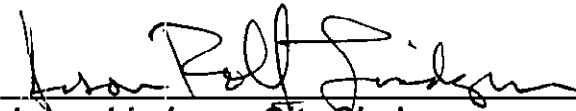
*I, Jason Lindgren, City Clerk of the City of Elk Grove, California, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the City Council of the City of Elk Grove at a regular meeting of said Council held on October 12, 2016 by the following vote:*

**AYES:**        **COUNCILMEMBERS:**    *Davis, Ly, Detrick, Hume, Suen*

**NOES:**       **COUNCILMEMBERS:**    *None*

**ABSTAIN:**   **COUNCILMEMBERS:**    *None*

**ABSENT:**    **COUNCILMEMBERS:**    *None*

  
\_\_\_\_\_  
**Jason Lindgren, City Clerk**  
**City of Elk Grove, California**