

MEMO

TO: Board of Finance
City Council

FROM: Richard W. Haesler, Jr. – Assistant City Attorney

Re: Declaration of Official Intent Approving Reimbursement of Capital Expenses for Waterfront Tax Increment Financing (TIF) District

DATE: April 11, 2013

On November 6, 2012, the voters of the City approved the issuance of such general obligation bonds or notes in an amount not to exceed \$6,050,000.00 for the public improvements to be made in the Waterfront TIF District; including the bike path and Waterfront Access North projects. The City is now undertaking the planning and implementation of these projects and will need to be reimbursed through the proceeds of the tax-exempt bonds, notes or tax exempt lease financing which were authorized by the November 6, 2012 vote. In order to be properly reimbursed, therefore, the City Council must declare its official intent to use proceeds from tax-exempt bonds, notes or tax exempt financing to reimburse itself for expenditures for the Projects. We have prepared a resolution to authorize reimbursement of up to \$1,500,000.00 for costs which may be incurred prior to a bond issuance which will require further City Council approval (and which is expected to take place later this spring or this summer). That amount is expected to be sufficient to carry forward to the bond issuance, although it can be amended to a greater amount if, due to some delay in bonding, such amendment became necessary.

**RESOLUTION OF DECLARATION OF OFFICIAL INTENT
APPROVING REIMBURSEMENT OF CAPITAL EXPENSES
FOR WATERFRONT TAX INCREMENT FINANCING (TIF) DISTRICT,**

CITY OF BURLINGTON

In the year Two Thousand and Thirteen
Resolved by the City Council of the City of Burlington as follows:

Whereas, the City Council, by resolution adopted September 10, 2012, requested, pursuant to Sec. 25 of the City Charter, that the Mayor call a Special City Meeting to be held on November 6, 2012, for a vote on the question of the issuance of general obligation bonds or notes in one or more series pursuant to the Urban Renewal Plan for the Waterfront Revitalization District in order to finance public improvements that serve the Waterfront Tax Increment Financing (TIF) district, specifically for the Waterfront Access North Project and for Bike Path improvements (the "Projects");

Whereas, at such special meeting held November 6, 2012, the voters of the City approved the issuance of such general obligation bonds or notes in an amount not to exceed \$6,050,000 for the Projects;

WHEREAS, the City is undertaking the planning and implementation of certain of the Projects and may incur capital expenses and costs for the Projects for which it expects to be reimbursed through the proceeds of tax-exempt bonds, notes or tax exempt lease financing; and

WHEREAS, the City Council intend to declare its official intent to use proceeds from tax-exempt bonds, notes or tax exempt financing to reimburse itself for expenditures for the Projects.

NOW THEREFORE, BE IT RESOLVED that the City may expend funds for the Projects with the expectation that the City may reimburse itself for Project expenditures from the issuance of tax-exempt bonds, notes or leases. The amount to initially be expended prior to issuance of any bonds, notes or leases shall not exceed \$_____ .

This resolution is adopted with the purpose of establishing a declaration of official intent in compliance with the requirements of Section 1.150-2 of Treasury Regulations adopted under the Internal Revenue Code of 1986, as amended and shall be available for public inspection as with other resolutions of the City Council at City Hall, 149 Church Street, Burlington, Vermont.

This resolution shall take effect upon passage .