

RESOLUTION NO. 435

A RESOLUTION THE OF CITY OF WOODINVILLE, WASHINGTON, DECLARING ITS INTENT TO REIMBURSE CAPITAL EXPENDITURES FROM PROCEEDS OF A FUTURE BORROWING IN CONNECTION WITH THE RENOVATION OF THE OLD WOODINVILLE SCHOOLHOUSE, A HISTORIC BUILDING FOR COMMUNITY USE.

WHEREAS, the City of Woodinville, Washington (the "City") intends to make expenditures for the Project (identified below) from funds that are available but that are not (and are not reasonably expected to be) reserved, allocated on a long-term basis, or otherwise set aside for those expenditures, and reasonably expects to be reimbursed for those expenditures from proceeds of bonds or other obligations ("bonds") issued to finance those expenditures; and

WHEREAS, certain federal regulations (the "federal reimbursement regulations") relating to the use of proceeds of tax exempt bonds to reimburse the issuer of the bonds for expenditures made before the issue date of the bonds require, among other things, that not later than 60 days after payment of the original expenditure the City (or any person designated by the City to do so on its behalf) declare a reasonable official intent to reimburse those expenditures from proceeds of bonds;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WOODINVILLE, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

Section 1. Description of Project for Which Expenditures are to be Made. The City intends to make (and/or, not more than 60 days before the date of this declaration, has made) expenditures, and reasonably expects to reimburse itself for those expenditures from proceeds of bonds, for the following project, property, or program (the "Project"):

The renovation of a historic building for community use.

Section 2. Maximum Principal Amount of Obligations Expected to be Issued for the Project. The City expects that the maximum principal amount of bonds that will be issued to finance the Project will be between \$4,000,000 and \$10,000,000.

Section 3. Declaration Reasonable. The City Council has reviewed its existing and reasonably foreseeable budgetary and financial circumstances and has determined that the City reasonably expects to reimburse itself for expenditures for the Project from proceeds of bonds because the City has no funds available that already are, or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside by the City for those expenditures on the Project.

Section 4. Limitations on Uses of Reimbursement Amounts. The City will not, within one year after the expected reimbursement, use amounts corresponding to proceeds received from bonds issued in the future to reimburse the City for previously paid expenditures for the Project in any manner that results in those amounts being treated as replacement proceeds of

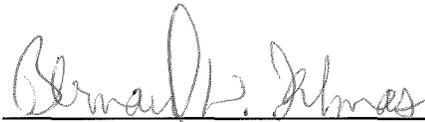
any tax exempt bonds, i.e., as a result of being deposited in a reserve fund, pledged fund, sinking fund or similar fund (other than a bona fide debt service fund) that is expected to be used to pay principal of or interest on tax exempt bonds. Nor will the City use those amounts in any manner that employs an abusive arbitrage device to avoid arbitrage restrictions.

Section 5. Date of Declaration. This declaration of official intent shall be dated as of the date of adoption of this resolution.

Section 6. Ratification and Confirmation. Any actions of the City or its officers prior to the date thereof and consistent with the terms of this resolution are ratified and confirmed.

Section 7. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

RESOLVED this 21st day of May, 2013.



BERNARD W. TALMAS, MAYOR

ATTEST/AUTHENTICATED:


JENNIFER KUHN, CITY CLERK/CMC