City of Corona

Legislation Details (With Text)

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Title: City Council consideration of Resolution No. 2018-085 declaring its intent to reimburse expenditures relating to the construction of library facilities from the proceeds of the sale of tax-exempt bonds.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Resolution No 2018-085

Date	Ver.	Action By	Action	Result
8/1/2018	1	City Council	adopted	

AGENDA REPORT
REQUEST FOR CITY COUNCIL ACTION

DATE: 8/1/2018

TO: Honorable Mayor and City Council Members

FROM: Administrative Services Department

SUBJECT:
City Council consideration of Resolution No. 2018-085 declaring its intent to reimburse expenditures relating to the construction of library facilities from the proceeds of the sale of tax-exempt bonds.

RECOMMENDED ACTION:
That the City Council adopt Resolution No. 2018-085 declaring its intent to reimburse expenditures relating to construction of library facilities from the proceeds of the sale of tax-exempt bonds.

ANALYSIS:
The City of Corona (the "City") desires and intends to finance the construction and acquisition of certain library facilities and amenities for its municipal purposes (the "Facilities") from the proceeds of certain tax-exempt bonds.

Pursuant to Section 1.150-2(d) of the Regulations of the United States Department of the Treasury ("Regulations"), permits reimbursement from the proceeds of tax-exempt bonds of the amounts advanced and expended pursuant to the Development Agreement if not later than 60 days after the date of the first expenditure of the amounts advanced pursuant to the Development Agreement, the

City Council adopts an official intent to reimburse the expenditure of such advanced amounts and such reimbursement occurs not later than 18 months after the later of the date of payment of such expenditures or the date the Facilities are placed in service, but in no event more than three (3) years after the date of such expenditures.

The City expects to incur certain expenditures relating to the Facilities prior to the issuance of the Bonds. The City reasonably expects to use a portion of the proceeds of the Bonds to reimburse the City for the expenditure related to the Facilities.

The attached resolution will express the City Council's official intent pursuant to Section 1.150-2(d) of the Regulations to reimburse Owner for amounts advanced and expended on the Facilities from the proceeds of any tax-exempt bonds that may be issued and sold for the community facilities district.

COMMITTEE ACTION:
Not applicable.

STRATEGIC PLAN:
Not applicable.

FISCAL IMPACT:
There is no fiscal impact currently. Future appropriations will be requested by the department when they are ready to proceed with the library facility project(s).

ENVIRONMENTAL ANALYSIS:
This action is exempt pursuant to Section 15061(b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the general rule that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. This action merely authorizes the City to use proceeds of the sale of a future series of bonds to reimburse the City and the Owner for amounts advanced and expended prior to the issuance of the bonds, and there is no possibility that adopting this resolution will have a significant effect on the environment. Therefore, no environmental analysis is required.

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