

**ORDINANCE NO. O2013-27**

**AN ORDINANCE DECLARING OFFICIAL INTENT WITH RESPECT TO REIMBURSEMENT OF TEMPORARY ADVANCES MADE FOR CAPITAL EXPENDITURES FOR THE CITY OF GALLIPOLIS, OHIO, TO BE MADE FROM SUBSEQUENT BORROWINGS, AND DECLARING AN EMERGENCY.**

**WHEREAS**, Treasury Regulation § 1.150-2 (the “Reimbursement Regulations”), issued pursuant to Section 150 of the Internal Revenue Code of 1986, as amended (the “Code”), prescribes certain requirements by which proceeds of tax-exempt bonds, notes, certificates or other obligations included in the meaning of “bonds” under Section 150 of the Code (“Obligations”) used to reimburse advances made for Capital Expenditures (as hereinafter defined) paid before the issuance of such Obligations may be deemed “spent” for purposes of Sections 103 and 141 to 150 of the Code and therefore, not further subject to any other requirements or restrictions under those sections of the Code; and

**WHEREAS**, such Reimbursement Regulations require that an Issuer (as hereinafter defined) make a Declaration of Official Intent (as hereinafter defined) to reimburse any Capital Expenditure paid prior to the issuance of the Obligations intended to fund such Capital Expenditure and require that such Declaration of Official Intent be made no later than sixty (60) days after payment of the Capital Expenditure and further require that any Reimbursement Allocation (as hereinafter defined) of the proceeds of such Obligations to reimburse such Capital Expenditures occur no later than eighteen (18) months after the later of the date the Capital Expenditure was paid or the date the property acquired with the Capital Expenditure was placed in service, except that any such Reimbursement Allocation must be made no later than three years after such Capital Expenditure was paid; and

**WHEREAS**, the City of Gallipolis, Ohio (the “Issuer”) wishes to ensure compliance with the Reimbursement Regulations in connection with the advancement of funds to pay part of the costs of acquiring interests in real property and preparing the same for use in connection with the Issuer’s Purchase of Locust Street Property project (the “Project”); and

**WHEREAS**, the City Manager has recommended in writing the passage of this ordinance as an emergency measure to take effect immediately upon its passage, it being for the immediate preservation of the public peace, health, safety or property, or providing for the usual daily operation of a municipal department, for the reason that the immediate effectiveness of this ordinance is necessary so that funds for the Project may be advanced to allow the Project to proceed in a timely manner while preserving the Issuer’s ability to issue Obligations to reimburse itself for such funds so advanced;

**NOW, THEREFORE, BE IT ORDAINED** by the City Commission of the City of Gallipolis, State of Ohio, all members elected or appointed thereto concurring, that:

SECTION 1. Definitions. The following definitions apply to the terms used herein:

“Allocation” means written evidence that proceeds of Obligations issued subsequent to the payment of a Capital Expenditure are to reimburse the Issuer for such payments. “To allocate” means to make such an allocation.

“Capital Expenditure” means any expense for an item that is properly depreciable or amortizable or is otherwise treated as a capital expenditure for purposes of the Code, as well as any costs of issuing Reimbursement Bonds.

“Declaration of Official Intent” means a written declaration that the Issuer intends to fund Capital Expenditures with an issue of Reimbursement Bonds and reasonably expects to be reimbursed from the proceeds of such an issue.

“Reimbursement” means the restoration to the Issuer of money temporarily advanced from other funds, including moneys borrowed from other sources, of the Issuer to pay for Capital Expenditures before the issuance of Obligations intended to fund such Capital Expenditures. “To reimburse” means to make such a restoration.

“Reimbursement Bonds” means Obligations that are issued to reimburse the Issuer for Capital Expenditures, and for certain other expenses permitted by the Reimbursement Regulations, previously paid by or for the Issuer.

“Reimbursement Regulations” means Treasury Regulation § 150-2 and any amendments thereto or superseding regulations, whether in proposed, temporary or final form, as applicable, prescribing conditions under which the proceeds of Obligations may be allocated to reimburse the Issuer for Capital Expenditures and certain other expenses paid prior to the issuance of the Obligations such that the proceeds of such Obligations will be treated as “spent” for purposes of Sections 103 and 141 to 150 of the Code.

SECTION 2. Declaration of Official Intent.

(a) The Issuer declares that it reasonably expects that the Capital Expenditures described in Section (b), which were paid no earlier than sixty (60) days prior to the date hereof, or which will be paid prior to the issuance of any Obligations intended to fund such Capital Expenditures, will be advanced from the General Fund of the Issuer and will be reimbursed with the proceeds of Obligations, representing a borrowing by the Issuer in the maximum principal amount, for such Reimbursements, of Thirty-two Thousand Dollars (\$32,000); and

(b) The Capital Expenditures to be reimbursed are to be used for paying part of the costs of the Project to be used for the purchase of the real property at 44 Locust Street, Gallipolis, Ohio, (Parcel No. 007-014-029-00)

SECTION 3. Reasonable Expectations. The Issuer does not expect any other funds (including the money advanced to make the Capital Expenditures that are to be reimbursed), to be reserved, allocated on a long-term basis, or otherwise set aside by the Issuer or any other entity, with respect to the Capital Expenditures for the purposes described in Section 2(b).

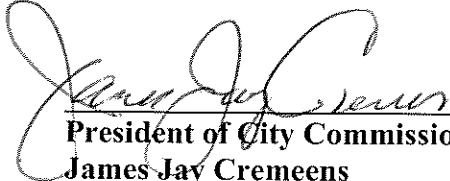
SECTION 4. Open Meeting. It is found and determined that all formal actions of this City Commission concerning and relating to the adoption of this ordinance were adopted in an open meeting of this City Commission; and that all deliberations of this City Commission and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with the law, including Section 121.22 of the Ohio Revised Code.

SECTION 5. Effective Date. This ordinance is hereby declared to be an emergency measure for the reason set forth in the preamble hereto, and therefore, shall take effect immediately upon its passage.

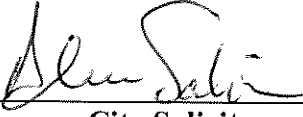
**PASSED :**    May 7, 2013

**ATTEST:**

  
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**Clerk of City Commission**  
**Annette M. Landers**

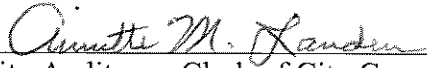
  
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**President of City Commission**  
**James Jay Cremeens**

The foregoing ordinance is hereby approved as to form and correctness.

  
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**City Solicitor**  
**Adam R. Salisbury**

CERTIFICATE

The undersigned hereby certifies that the foregoing is a true and correct copy of Ordinance No. O2013-27.



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City Auditor as Clerk of City Commission  
Annette M. Landers