

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

RESOLUTION NO. 2012-250

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE
COUNTY OF RIVERSIDE AUTHORIZING REIMBURSEMENT
OF CERTAIN EXPENDITURES MADE IN CONNECTION WITH
THE EAST RIVERSIDE COUNTY DETENTION CENTER AND
RELATED PROJECTS.**

WHEREAS, the County of Riverside ("County") desires to finance the acquisition, purchase, modification, expansion, improvement, rehabilitation, leasing or construction of the East County Detention Center and related projects and to pay expenses incurred in conjunction therewith (the "Various Projects");

WHEREAS, the County expects to enter into a long-term lease arrangement to finance the costs of the Various Projects (the "Lease Financing");

WHEREAS, the County expects to expend moneys (other than the moneys derived from the issuance of bonds) on expenditures relating to the costs of the Various Projects prior to the consummation of the Lease Financing, which expenditures would be properly chargeable to a capital account under general federal income tax principals;

WHEREAS, the County reasonably expects to reimburse certain of such capital expenditures with the proceeds of the Lease Financing;

WHEREAS, the County expects that the maximum principal amount of proceeds of the Lease Financing which will be issued to pay for the costs of the Various Projects (and related issuance costs) will not exceed \$40,000,000;

WHEREAS, at the time of the reimbursement, the County will evidence the reimbursement in a writing which identifies the allocation of the proceeds of the Lease Financing to the County for the purpose of reimbursing the County for the capital expenditures made prior to the consummation of the Lease Financing;

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

WHEREAS, the County expects to make the reimbursement allocation no later than eighteen (18) months after the later of (i) the date on which the earliest original expenditure is paid or (ii) the date on which the Various Projects are placed in service (or abandoned), but in no event later than three (3) years after the date on which the earliest original expenditure for the Various Projects are paid;

WHEREAS, the County will not, within one (1) year of the reimbursement allocation, use the proceeds of the Lease Financing received in the reimbursement allocation in a manner that will result in the creation of replacement proceeds of the Lease Financing or another issue; and

WHEREAS, this resolution is intended to be a "declaration of official intent" in accordance with Section 1.150-2 of the Treasury Regulations.

NOW, THEREFORE, BE IT RESOLVED, that in accordance with Section 1.150-2 of the Treasury Regulations, the County declares its intention to consummate a Lease Financing in a principal amount not to exceed \$40,000,000, the proceeds of which will be used to pay for the costs of the Various Projects (and related issuance costs), including the reimbursement to the County for certain capital expenditures relating to the Various Projects made prior to the consummation of the Lease Financing.

This Resolution shall take effect immediately upon its passage.

1 **PASSED and ADOPTED** by the Board of Supervisors of the County of Riverside on the
2 18th day of December, 2012.

3
4
5
6 COUNTY OF RIVERSIDE

7
8 By: _____
9 John Tavaglione,
Chairman of the Board of Supervisor

10 Kecia Harper-Ihem
11 Clerk of the Board

12
13 By: _____
Deputy

14
15 (Seal)

16
17
18 APPROVED AS TO FORM:
19 Pamela J. Walls
County Counsel

20
21 By: *Pamela J. Walls* 12/17/12
22 Deputy