

RESOLUTION NO. 24-9341

A RESOLUTION OF THE CITY OF SANTA CLARA, CALIFORNIA, DETERMINING THAT THE PUBLIC INTEREST AND NECESSITY DEMAND THE ACQUISITION, CONSTRUCTION AND IMPROVEMENT OF MUNICIPAL IMPROVEMENT PROJECTS CONSTITUTING PUBLIC INFRASTRUCTURE OF THE CITY, AND THEIR FINANCING THROUGH THE ISSUANCE OF GENERAL OBLIGATION BONDS

WHEREAS, the City of Santa Clara (the “City”) is a municipal corporation and charter city duly organized and existing under the Constitution and laws of the State of California;

WHEREAS, the City desires to undertake certain public infrastructure improvements for the City consisting of streets and transportation improvements, improvements to public safety facilities, improvements to parks and community facilities, storm drain and flood collection improvements, and improvements to other City facilities (collectively, the “Improvements”) more particularly described in the Ordinance proposed to be approved by the City Council entitled “AN ORDINANCE OF THE CITY OF SANTA CLARA, CALIFORNIA, ORDERING THE SUBMISSION OF A MEASURE INCURRING BONDED INDEBTEDNESS TO THE QUALIFIED VOTERS OF THE CITY OF SANTA CLARA AT THE GENERAL MUNICIPAL ELECTION TO BE HELD ON NOVEMBER 5, 2024, FOR THE PURPOSE OF FINANCING THE COST OF THE ACQUISITION, CONSTRUCTION AND IMPROVEMENT OF CERTAIN MUNICIPAL IMPROVEMENT PROJECTS CONSTITUTING PUBLIC INFRASTRUCTURE OF THE CITY, SUBJECT TO ACCOUNTABILITY MEASURES AND COMPLIANCE WITH AN ADOPTED EXPENDITURE PLAN”;

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WHEREAS, in order to finance the Improvements, the City is authorized to call an election for the purpose of incurring a bonded indebtedness and to authorize the issuance of bonds to finance the Improvements, which constitute public infrastructure of the City pursuant to certain provisions of the California Constitution, including Article XIII A and any amendments thereto approved at the November 5, 2024 election, the California Government Code, including Article 1 of Chapter 4 of Division 4 of Title 4 (commencing with Section 43600) and Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 (commencing with Section 53506) (collectively, the “Bond Law”);

WHEREAS, the City intends to issue its general obligation bonds (the “Bonds”) under and pursuant to the Bond Law to finance the cost of the acquisition and construction of the Improvements;

WHEREAS, in order to initiate proceedings under the Bond Law to provide for the issuance of general obligation bonds, the City Council of the City (the “City Council”) must make certain findings and determinations; and

WHEREAS, United States Income Tax Regulations section 1.150-2 provides generally that proceeds of tax-exempt debt are not deemed to be expended when such proceeds are used for reimbursement of expenditures made prior to the date of issuance of such debt unless certain procedures are followed, one of which is a requirement that (with certain exceptions), prior to the payment of any such expenditure, the issuer declares an intention to reimburse such expenditure.

NOW THEREFORE, BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

1. Recitals Correct. The foregoing recitals are true and correct.
2. Necessity. The public interest and necessity demand, and it is the intention of the City Council to require, the acquisition, construction and improvement of the Improvements, and to issue the Bonds to finance the cost thereof, subject to completion of the proceedings required by the Bond Law.

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3. Findings. The City Council hereby finds and determines that the estimated costs of the Improvements will require an expenditure by the City greater than the amount allowed for it by the annual tax levy of the City. The principal amount of the Bonds will not exceed the estimated cost of the Improvements.

4. Authority. This Resolution is adopted, and the Bonds will be issued, if approved by the qualified voters voting on the issuance of the Bonds, pursuant to the Bond Law or any implementing legislation.

5. Reimbursement Declaration. The City Council hereby declares that the City may pay certain costs of the projects authorized by the proposed bond measure prior to the date of issuance of the Bonds and, in such case, intends to use a portion of the proceeds of the Bonds for reimbursement of expenditures for the projects that are paid before the date of issuance of the Bonds.


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6. Engagement of Professional Services. The City hereby confirms the appointment of Jones Hall, A Professional Law Corporation, a nationally recognized bond counsel firm, to serve as bond counsel, and Public Financial Management to serve as municipal advisor, in connection with the bond election and, if successful, subsequent bond issuances.

7. Adoption; Effective Date. This Resolution must be adopted by two-thirds of all members of the City Council and, when adopted, shall take effect immediately.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE 9TH DAY OF JULY, 2024, BY THE FOLLOWING VOTE:

AYES:	COUNCILORS:	Becker, Chahal, Hardy, Jain, and Watanabe and Mayor Gillmor
NOES:	COUNCILORS:	Park
ABSENT:	COUNCILORS:	None
ABSTAINED:	COUNCILORS:	None

ATTEST: 

 NORA PIMENTEL, MMC
 ASSISTANT CITY CLERK
 CITY OF SANTA CLARA

Attachments incorporated by reference: None