

RESOLUTION NO. CC -2503-017

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH DECLARING ITS INTENT TO REIMBURSE CERTAIN EXPENDITURES FROM PROCEEDS OF GENERAL OBLIGATION BONDS APPROVED BY THE VOTERS OF THE CITY OF REDONDO BEACH

WHEREAS, in November 2024, Measure FP was passed by the voters, which approved the issuance of City of Redondo Beach General Obligation Bonds in an amount not to exceed \$93,350,000 (the “Bonds”), the proceeds of which will fund the reconstruction of Fire Station #1, Fire Station #2, and the Police Headquarters, and renovation of the Police Annex facility (collectively, the “Project”).

WHEREAS, the City of Redondo Beach (“City”) expects to expend moneys (other than moneys derived from the issuance of the Bonds or other obligations) on expenditures relating to the costs of the Project, prior to the issuance of the Bonds the City reasonably expects to reimburse such capital expenditures with the proceeds of the Bonds.

WHEREAS, the City expects that the maximum principal amount of Bonds which will be issued to pay for the costs of the Project (and related issuance costs) will not exceed \$93,350,000.

WHEREAS, at the time of the reimbursement, the City will evidence the reimbursement in a writing which identifies the allocation of the proceeds of the Bonds for the purpose of reimbursing the City for the capital expenditures made prior to the issuance of the Bonds.

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

WHEREAS, Section 1.150-2 of the U.S. Treasury Regulations governs the allocation of expenditures of a reimbursement bond. A reimbursement bond is that portion of an issue of bonds (or other obligations) allocated to reimburse an original expenditure (i.e., an expenditure for a governmental purpose that is originally paid from a source other than a reimbursement bond) that was paid before the date of issue of the bonds. Section 1.150-2 provides rules to determine when an allocation of proceeds of bonds to reimburse an original expenditure will be treated as an expenditure of those proceeds.

WHEREAS, in order for such an allocation of those proceeds to be treated as an expenditure, the issuer (or in certain cases, a conduit borrower) of the bonds must, in accordance with Section 1.150-2 and generally not later than 60 days after payment of the original expenditure, adopt an official intent for the original expenditure. The official intent is a declaration of intention by the issuer to reimburse the original expenditure with proceeds of bonds. This Resolution is intended to be a “declaration of official intent” in accordance with Section 1.150-2 of the U.S. Treasury Regulations.

WHEREAS, this Resolution expresses the City’s expectations as of this date with respect to the financing of the construction and acquisition of the Project. Future events or extraordinary circumstances beyond the control of the City may result in the Project being financed in a manner

other than as described in this Resolution, and nothing contained herein constitutes an irrevocable commitment by the City to issue the Bonds.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDONDO BEACH DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. In accordance with Section 1.150-2 of the U.S. Treasury Regulations, the City hereby declares its intention to issue Bonds in a principal amount not to exceed \$93,350,000, the proceeds of which will be used to pay for the costs of the Project (and related issuance costs), including the reimbursement to the City for capital expenditures relating to the Project made prior to the issuance of the Bonds.

SECTION 2. This Resolution shall take effect immediately upon its passage.

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council of the City of Redondo Beach on March 18, 2025.

Jim Light, Mayor

APPROVED AS TO FORM:

ATTEST:

Michael W. Webb, City Attorney

Eleanor Manzano, CMC, City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF REDONDO BEACH)

I, Eleanor Manzano, City Clerk of the City of Redondo Beach, California, do hereby certify that Resolution No. CC-2503-017 was passed and adopted by the City Council of the City of Redondo Beach, California, at a regular meeting of said City Council held on the 18th day of March, 2025, and there after signed and approved by the Mayor and attested by the City Clerk, and that said resolution was adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Eleanor Manzano, CMC
City Clerk