

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF DENTON, TEXAS TO DECLARE THE INTENT TO REIMBURSE CAPITAL PROGRAM EXPENDITURES OF THE GENERAL GOVERNMENT (\$8,250,000) WITH TAX-PREFERRED OBLIGATIONS (CERTIFICATES OF OBLIGATION) WITH AN AGGREGATE MAXIMUM PRINCIPAL AMOUNT EQUAL TO \$8,250,000; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Denton (the "Issuer") is a municipal corporation/political subdivision of the State of Texas; and

WHEREAS, the Issuer expects to pay, or have paid on its behalf, expenditures in connection with the ongoing capital expansion of the General Government projects approved as part of the FY 2017-18 Capital Improvement Program Budget and described in Attachment 1 hereto (the "Projects") prior to the issuance of Certificates of Obligation for which a prior expression of intent to finance or refinance is required by Federal or state law to finance the General Government Projects; and

WHEREAS, the Issuer finds, considers, and declares that the reimbursement of the Issuer for the payment of such expenditures will be appropriate and consistent with the lawful objectives of the Issuer and, as such, chooses to declare its intention to reimburse itself for such payments at such time as it issues the obligations to finance the Projects; NOW, THEREFORE,

THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

SECTION 1. The Issuer reasonably expects to incur debt, as one or more series of tax-exempt obligations, tax-credit obligations and/or obligations for which a prior expression of intent to finance or refinance is required by Federal or state law (collectively and individually, the "Tax-Preferred Obligations"), with an aggregate maximum principal amount equal to \$8,250,000 for purpose of paying the costs of the Projects.

SECTION 2. All costs to be reimbursed pursuant hereto will be capital expenditures. No Tax-Preferred Obligations will be issued by the Issuer in furtherance of this ordinance after a date which is later than 18 months after the later of (1) the date the expenditures are paid, or (2) the date on which the property, with respect to which such expenditures were made, is placed in service.

SECTION 3. The foregoing notwithstanding, no Tax-Preferred Obligation will be issued pursuant to this ordinance more than three years after the date any expenditure which is to be reimbursed is paid.

SECTION 4. The foregoing Sections 2 and 3 notwithstanding, all costs to be reimbursed with qualified tax credit obligations shall not be paid prior to the date hereof and no tax credit obligations shall be issued after 18 months of the date the original expenditure is made.

SECTION 5. This Ordinance shall become effective immediately upon its passage and approval.

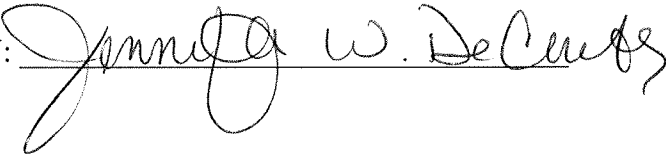
PASSED AND APPROVED this the _____ day of _____, 2017.

CHRIS WATTS, MAYOR

ATTEST:
JENNIFER WALTERS, CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:
AARON LEAL, CITY ATTORNEY

BY:  _____

City of Denton
General Government Projects
FY 2017-18

	PROGRAM DESCRIPTION	FY 2017-18
1	Vehicle/Equipment Replacements	\$ 3,190,000
2	Facility Maintenance Program	\$ 1,500,000
3	Airport - Westside Runway Construction	\$ 3,200,000
4	Airport - North Taxiway and Existing Runway Repair	\$ 360,000
5		
6	Total - Certificates of Obligation (COs)	\$ 8,250,000