



Legislation Text

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The Public Service Director was authorized to submit applications for Round 21 of the State Capital Improvement Program and to execute project agreement forms for approved projects by Ordinance 0988-2007 passed by City Council on July 25, 2007. In Round 21 of the State Capital Improvement Program, twenty-year, zero percent (0%) interest loans totaling \$1,426,000.00 of which \$1,175,000.00 is for the Morse Road Phase 2 project (CC01K/CC02K) and \$251,000.00 is for the High Street from Flint Road to the County line Reconstruction project (CC09K/CC10K) were made available to the Transportation Division. Ohio Public Works Commission grants total \$4,241,361.00 for the Morse Road Phase 2 Improvement project (\$3,492,361.00) and the High Street reconstruction project (\$749,000.00). The total estimated construction costs of the projects are \$8,600,980 for the Morse Road project and \$5,200,000 for the High Street project. In order to fully comply with Internal Revenue Service regulations regarding the loans it is necessary to adopt a resolution declaring the official intent and reasonable expectation of the City of Columbus on behalf of the State of Ohio (the borrower) to reimburse its State Issue II Project Fund (Fund 764) for the projects mentioned above with the proceeds of the Special Income Tax Fund, Fund 430.

Fiscal Impact: This resolution will allow the Transportation Division to accept loans from the Ohio Public Works Commission for the \$1,426,000.00 zero percent interest loans awarded under the State Capital Improvement Program. Repayment of the loans have been accounted for in the Special Income Tax Fund (SIT) analysis. The Special Income Tax Fund (SIT) is responsible for the loan payments.

Emergency action is requested to expedite the receipt of these loan proceeds such that these funds can be used as soon as possible.

To declare the official intent and reasonable expectation of the City of Columbus on behalf of the State of Ohio (the borrower) to reimburse the State Issue II Project Fund for the Morse Road Phase 2 Improvement project and the North High Street Reconstruction project with the proceeds of of the Special Income Tax Fund for the Transportation Division; and to declare an emergency. (\$-0-)

WHEREAS, the Transportation Division was offered an opportunity to borrow a total of \$1,426,000.00 for its Morse Road Phase 2 Improvement project (\$1,175,000.00) and North High Street Reconstruction project (\$251,000.00) in Round 21 of the State Capital Improvement Program at zero percent (0%) interest with a twenty year repayment period; and

WHEREAS, it has been determined that it is in the best interest of the City to borrow said funds; and

WHEREAS, a resolution of official intent is necessary to comply with the Internal Revenue Service; and

WHEREAS, an emergency exists in the usual daily operation of the Public Service Department, Transportation Division, in that it is immediately necessary to authorize these actions to expedite the receipt of these loan proceeds such that these funds can be used as soon as possible, thereby preserving the public health, peace, property, safety and welfare; now, therefore

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF COLUMBUS:

SECTION 1. That on behalf of the State of Ohio, the City of Columbus reasonably expects to reimburse the OPWC State Capital Improvement Program for the Morse Road Phase 2 Improvement project and North High Street Reconstruction project as set forth in Appendix A of the Project Agreements through the Special Income Tax fund, Fund 430.

SECTION 2. That this resolution is intended to constitute a declaration of official intent under United States Treasury Regulations Section 1.103-18.

SECTION 3. That the maximum aggregate principal amount of debt expected to be issued by the State of Ohio for reimbursement to the City of Columbus (the local subdivision) is \$1,426,000.00.

SECTION 4. That the City Clerk be and hereby is directed to make a copy of this resolution available for the inspection and examination of all persons interested therein.

SECTION 5. That the City of Columbus finds and determines that all formal actions of this city concerning and relating to the adoption of this resolution were taken in an open meeting of the City of Columbus and that all deliberations of this city and any of its committees that resulted in those formal actions were in meetings open to the public, in compliance with all legal requirements.

SECTION 6. That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this resolution is hereby declared to be an emergency measure and shall take effect and be in force from and after its adoption and approval by the Mayor or ten days after adoption if the Mayor neither approves nor vetoes the same.