



**TOWN OF CHEVERLY
RESOLUTION R-4-22**

A RESOLUTION OF THE COUNCIL OF THE MAYOR AND TOWN COUNCIL OF CHEVERLY (THE “TOWN”) MAKING A DECLARATION OF OFFICIAL INTENT REGARDING THE REASONABLE EXPECTATION OF THE TOWN TO REIMBURSE FROM PROCEEDS OF A FUTURE BORROWING EXPENDITURES MADE IN CONNECTION WITH A PROJECT GENERALLY IDENTIFIED AS THE NEW ELEY BUILDING.

WHEREAS, The Mayor and Town Council of Cheverly, a municipal corporation of the State of Maryland (the “Town”), is in the process of undertaking a project generally identified as the new William Eley Jr. Public Works Building or by similar terms, which project includes the design, construction and outfitting of an approximately 21,716 square foot two-story building to be used by the Department of Public Works, as Council chambers and as meeting space, together with site redevelopment, including site utilities, stormwater management, an access road, parking and coordination of the improvements with the adjacent playing fields, walking track and batting cages (collectively, the “Project”); and

WHEREAS, the Town anticipates borrowing money to finance a portion of the costs of the Project and related costs, including costs of issuance (collectively, “Project Costs”), such borrowing to be evidenced by one or more series of general obligation bonds or other evidences of indebtedness to be issued by the Town (collectively, or individually by series, and in whatever form, the “Bonds”); and

WHEREAS, the Town reasonably expects that non-borrowed moneys will be spent on Project Costs prior to issuance of the Bonds or any interim financing incurred by the Town in anticipation of the Bonds, and the Town further reasonably expects (i) to reimburse from proceeds of the Bonds and/or any such interim financing incurred by the Town all or a portion of such previously paid Project Costs, and/or (ii) to use proceeds of the Bonds to refinance all or a portion of any interim borrowing incurred by the Town that is applied to reimburse the Town for previously paid Project Costs; and

WHEREAS, Section 1.150-2 of the U.S. Treasury Regulations (the “Reimbursement Regulations”) provides that a local government funding “original expenditures” intended to be reimbursed from the proceeds of “obligations” must make a declaration of “official intent” in order to qualify such original expenditures for reimbursement from a “reimbursement bond,” all within the meaning of the Reimbursement Regulations; and

WHEREAS, the Town is an “issuer” for purposes of the Reimbursement Regulations

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and wishes to adopt this Resolution for the purpose of evidencing the clear and official intent of the Town to reimburse from reimbursement bond proceeds (meaning the Bonds or any interim financing incurred in anticipation of the Bonds) original expenditures for Project Costs made in connection with the Project.

SECTION 1. NOW, THEREFORE, BE IT RESOLVED that:

(a) The Recitals to this Resolution are deemed a substantive part of this Resolution and are incorporated by reference herein, and capitalized terms defined in the Recitals to this Resolution and not otherwise defined herein will have the meanings given to such terms in the Recitals hereto.

(b) The name used for the Project in this Resolution is the name by which the Project is generally identified by the Town. References in this Resolution to the Project shall be deemed to (i) be to the Project as it may be referred to by similar but not the exact same name in applicable Town budgetary or other materials, and (ii) include any changes in the scope of activities of the Project and/or the name of the Project made by the Town in accordance with applicable law, including (without limitation) in future fiscal years. References in this Resolution to Project Costs shall be deemed to be to expenditures that constitute capital expenditures and include, to the extent applicable, (i) costs of issuance of any borrowing relating to the Project and (ii) capitalized interest.

SECTION 2. AND BE IT FURTHER RESOLVED that in accordance with the Reimbursement Regulations, the Town hereby makes this declaration of its reasonable expectation to expend money from non-borrowed sources on Project Costs prior to the issuance of the Bonds (or any interim financing incurred in anticipation of the Bonds) and to use proceeds of the Bonds (or of such interim financing), which Bonds and/or interim financing will qualify as a “reimbursement bond” for purposes of the Reimbursement Regulations, to reimburse all or a portion of such original expenditures for Project Costs. This Resolution is intended to be a declaration of official intent within the meaning of the Reimbursement Regulations.

SECTION 3. AND BE IT FURTHER RESOLVED that the maximum principal amount of the Bonds to be issued for the Project (and the maximum principal amount of any interim financing to be incurred by the Town in anticipation of the Bonds issued for the Project) is \$9,000,239.00 each.

SECTION 4. AND BE IT FURTHER RESOLVED that the provisions of this Resolution shall be liberally construed in order to effectuate compliance with the Reimbursement Regulations.

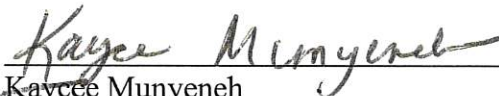
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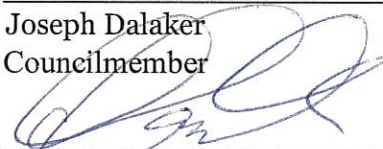
SECTION 5. AND BE IT FURTHER RESOLVED that this Resolution shall become effective immediately upon its adoption.

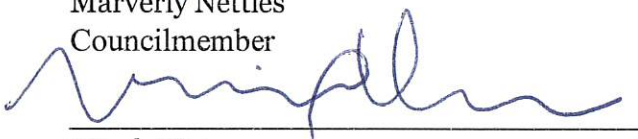
Adopted: May, 26, 2022

Attest: 


Kaycee Munyeneh
Mayor

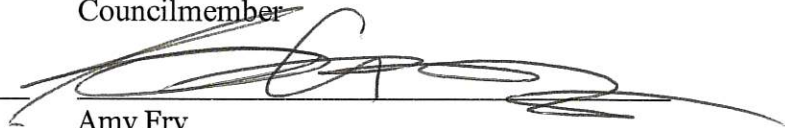

Marverly Nettles
Councilmember


Joseph Dalaker
Councilmember


Micah Watson
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Amy Fry
Councilmember

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