



Huntsville, Alabama

305 Fountain Circle
Huntsville, AL 35801

Cover Memo

Meeting Type: City Council Regular Meeting **Meeting Date:** 10/24/2024

File ID: TMP-4562

Department: Administration

Subject:

Type of Action: Approval/Action

Resolution authorizing a portion of the proceeds of certain future borrowings to reimburse the Huntsville City Schools Capital Projects Fund for expenditures incurred prior to borrowing issuance.

Resolution No.

Finance Information:

Account Number: 3010

City Cost Amount: \$ 150,000,000.00 Huntsville City Schools

Total Cost: \$ 150,000,000.00

Special Circumstances:

Grant Funded: \$ N/A

Grant Title - CFDA or granting Agency: N/A

Resolution #: N/A

Location: (list below)

Address: N/A

District: District 1 District 2 District 3 District 4 District 5

Additional Comments:

RESOLUTION NO. 24-_____

BE IT RESOLVED by the City Council (the "Council") of the City of Huntsville, Alabama (the "City"), as follows:

Section 1. Findings. The Council hereby finds that the following facts are true and correct:

(a) It is necessary, desirable, and in the public interest that the City finance the costs of acquiring real property for public school purposes (the "Public School Real Property"), and for designing, developing, constructing, acquiring, installing, and equipping various public capital improvements for the public school system within the City to be owned and operated by Huntsville City Schools ("Huntsville Schools") including, without limitation (i) renovations, expansions, and improvements to existing classroom space, office space, common area space, dining and meeting facilities, athletic fields, facilities and buildings, and other public school buildings and facilities; (ii) new classroom space, office space, common area space, dining and meeting facilities, athletic fields, facilities and buildings, and other public school buildings and facilities; (iii) renovations, expansions, and improvements to public school infrastructure including, without limitation, parking improvements, roadway improvements, utility improvements, information technology improvements, and other infrastructure improvements; (iv) vehicles, equipment and other assets, including information technology equipment and assets, used for public school purposes; and (v) various other types of improvements, equipment and assets for public school purposes (collectively, with the Public School Real Property, the "Public School Improvements"); and

(b) It is expected that the City will issue one or more series of tax-exempt general obligation warrants (collectively, the "Warrants") expected to aggregate not more than approximately \$150,000,000 in principal amount to pay the costs of the Public-School Improvements; and

(c) The City expects to incur, either directly or by advancement of funds from Huntsville Schools, certain costs to be paid out of the Capital Projects Fund of Huntsville Schools (the special fund for capital projects at Huntsville Schools) in connection with the acquisition, design, development, construction, installation, and equipping of the Public School Improvements prior to the issuance of the Warrants, and it is intended that the City allocate proceeds of the Warrants to reimburse the City for certain of the costs incurred in connection with acquiring, designing, developing, constructing, installing, and equipping the Public School Improvements paid prior to the issuance of the Warrants.

Section 2. Designation. The City does hereby declare its intention that there be allocated a portion of the proceeds of the Warrants to reimburse the City for expenditures incurred after the date that is no more than sixty (60) days prior to the date of the adoption of this

resolution, but prior to the issuance of the Warrants, in connection with the acquisition, design, development, construction, installation, and equipping of the Public School Improvements. This resolution is being adopted pursuant to the requirements of the Internal Revenue Code of 1986, as amended, and Treasury Regulations Section 1.150-2(e) promulgated thereunder.

ADOPTED this the 24th day of October, 2024.

President of the City Council of
the City of Huntsville, Alabama

APPROVED this the 24th day of October 2024.

Mayor of the City of
Huntsville, Alabama