

Declaration of Official Intent to Reimburse Capital Costs with State of Oregon Lottery Revenue Bonds

Declaration 015
2021-23 Biennium

Section 1. The Oregon Department of Administrative Services, Capital Finance and Planning Section (“DAS”) reasonably expects to issue Lottery Revenue Bonds, by and through the Oregon State Treasury (the “Issuer”), authorized by ORS 286A.560 – 286A.585 and Oregon Laws Chapter 658, Section 2 (2021) and Chapter 682, Section 31 (2021) to finance a grant from the Department of Administrative Services (the “Agency”) to the City of John Day (the “Grantee”) for expenditures related to the construction of an aquatics center (the “Project”).

Section 2. The Issuer reasonably expects that the Grantee may make certain expenditures on the Project prior to the issuance of the Lottery Revenue Bonds and therefore makes this Declaration of Official Intent to Reimburse to preserve the ability of the Issuer to reimburse the Grantee for such expenditures from the proceeds of the Lottery Revenue Bonds.

Section 3. This Declaration of Official Intent to Reimburse is made pursuant to Section 1.150-2 of the Income Tax Regulations promulgated by the United States Department of the Treasury.

Section 4. The maximum principal amount of Lottery Revenue Bonds expected to be issued for the Project is \$2,215,000.

Adopted this 22nd day of October, 2021

Oregon Department of Administrative Services
Capital Finance & Planning Section (CFPS)

Jean Gabriel, CFPS Manager



CITY OF
JOHN DAY

mayor
Ron Lundbom

city manager
Nicholas Green

secretary
Chantal DesJardin

council
Shannon Adair
Gregg Haberly
Dave Holland
Steve Schuette
Elliot Sky
Paul Smith

October 21, 2021

Department of Administrative Services
Chief Financial Office
Capital Finance & Planning Manager
155 Cottage Street NE
Salem, OR 97301

Re: Request for Declaration of Official Intent to Reimburse Capital Costs with Lottery Revenue Bonds

Dear Ms. Gabriel, DAS Capital Finance Manager:

The City of John Day requests that Capital Finance and Planning prepare and execute a *Declaration of Official Intent to Reimburse Capital Costs with Lottery Revenue Bonds* for the grantee's project **John Day Aquatics Center**.

Based on the planned timing of bond sales to finance this project, the grantee would like to begin the project prior to the time bond proceeds are expected to be available. Therefore, the grantee would like to pay for project costs using its own resources and then reimburse itself for the expenditures after the bonds are issued. The grantee understands that Lottery Revenue bond proceeds can only be used for capital expenditures; that is, costs that are capitalized to an asset.

This project has been authorized for bond financing by the Legislature through 2021 SB 5534, section 31. The total amount of bonds authorized for the project is \$2,000,000. As authorized in the lottery revenue bond bill, the project description and scope includes funding for the construction of an aquatics center in John Day, OR.

If you have any questions about this request, please feel free to contact Nicholas Green, City Manager.

Sincerely,

Signature of Authorized Official