

RESOLUTION No. 23-40

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS,
EXPRESSING INTENT TO FINANCE EXPENDITURES TO BE INCURRED**

THE STATE OF TEXAS §
CITY OF SUGAR LAND §

WHEREAS, the City of Sugar Land, Texas (the “City”), is a home rule city of the State of Texas, authorized to finance its activities by issuing obligations pursuant to the Texas Government Code and Texas Local Government Code, which may include obligations the interest on which is excludable from gross income for federal income tax purposes (“Tax-Exempt Obligations”), pursuant to Section 103 of the Internal Revenue of 1986, as amended (the “Code”); and

WHEREAS, the City will make or has made, not more than 60 days prior to the date hereof, and will continue to make payments with respect to the projects listed on Exhibit A attached hereto (the “Financed Facilities and Improvements”); and

WHEREAS, the City reasonably expects to issue Tax-Exempt Obligations in one or more series and pursuant to different state law provisions to reimburse itself for the costs associated with the Financed Facilities and Improvements; and

WHEREAS, the City desires to reimburse itself for the costs associated with the Financed Facilities and Improvements from the proceeds of Tax-Exempt Obligations to be issued subsequent to the date hereof; and

NOW, THEREFORE, be it resolved that:

Section 1. The City hereby declares its intent to reimburse itself for all costs paid within the last 60 days and that will be paid subsequent to the date hereof in connection with the acquisition of the Financed Facilities and Improvements from the proceeds of Tax-Exempt Obligations to be issued subsequent to the date hereof. The City intends that the adoption of this Resolution confirms and constitutes the “official intent” of the City with respect to the Financed Facilities and Improvements within the meaning of Treas. Reg. § 1.150-2 promulgated under the Internal Revenue Code of 1986, as amended.

Section 2. Each expenditure to be reimbursed pursuant to this Resolution was or will be, unless otherwise approved by bond counsel, either (a) of a type properly chargeable to capital account under general federal income tax principles (determined as of the date of the expenditure) or (b) a cost of issuance with respect to bonds issued for the Financed Facilities and Improvements.

Section 3. The City intends to make a reimbursement allocation, which is a written allocation by the City that evidences the City’s use of proceeds of bonds issued for the Financed Facilities and Improvements to reimburse an expenditure, no later than 18 months after the later of the date on which the expenditure is paid or the applicable portion of the Financed Facilities and Improvements are placed in service or abandoned, but in no event more than three years after the date on which the expenditure is paid, subject to exceptions available under Treas. Reg. §

1.150-2(f) for certain “preliminary expenditures,” costs of issuance, and certain *de minimis* amounts.

Section 4. The City reasonably expects that the maximum principal amount of tax-Exempt obligations issued by the City to finance costs associated with the Financed Facilities and Improvements in one or more issues listed on Exhibit A and other improvements attached hereto will not exceed \$41,000,000.

Section 5. This Resolution will be kept in the books and records maintained by the City with respect to the tax-Exempt obligations.

PASSED AND APPROVED this ____ day of _____, 2023.

CITY OF SUGAR LAND, TEXAS

By: _____
Mayor

ATTEST:

City Secretary

(SEAL)

APPROVED AS TO LEGALITY:

/s/ Thomas A. Sage

Bond Attorney
HUNTON ANDREWS KURTH LLP