

REQUEST FOR CITY COUNCIL CONSIDERATION

Meeting Date: August 19, 2024

Agenda Item: 7B	Prepared by: Randy Wright, Finance Director
Agenda Section: Consent: Resolution	Date: August 12, 2024
Subject: Reimbursement Resolution from Park Development Bonds	Division: Finance

Background:

The City of North Myrtle Beach is in the process of constructing Phase II of the North Myrtle Beach Park and Sports Complex. The financing portion of the project will be a \$27,000,000 General Obligation Park Improvement Bond that will be issued in FY 2025, if approved by City Council. In order to use the Bond proceeds to reimburse the City for construction costs prior to the bond issue, a resolution of the City's intent to do so must be adopted. The attached resolution provides the legal authority to use Park Improvement Bond proceeds to reimburse the City for fronting construction costs of Phase II of the North Myrtle Beach Park and Sports Complex.

Recommended Action:

Approve or deny the Resolution to allow reimbursement of construction costs from bond proceeds.

Reviewed by Department Head	Reviewed by City Manager	Reviewed by City Attorney
Council Action: Motion By _____ 2 nd By _____ To _____		

**RESOLUTION
A RESOLUTION DECLARING OFFICIAL INTENT
OF THE CITY OF NORTH MYRTLE BEACH
TO REIMBURSE ITSELF FOR CERTAIN EXPENDITURES
WITH THE PROCEEDS OF TAX-EXEMPT OBLIGATIONS
TO BE INCURRED BY THE CITY OF NORTH MYRTLE BEACH, SOUTH CAROLINA**

WHEREAS, the City Council of the City of North Myrtle Beach, the governing body of the City of North Myrtle Beach, has approved the expansion of the City’s Park & Sports Complex located at S.C. Highway 31 and Robert Edge Parkway; and

WHEREAS, the Project will consist of, among other things, new playing facilities for baseball, softball, soccer, lacrosse, and other sports and new aquatic facilities, along with numerous support facilities; and

WHEREAS, the City Council intends that a portion of the cost of the Project will be financed with the proceeds of federally tax-exempt obligations; and

WHEREAS, the City Council has determined that the total borrowing for the financing of the Project is not expected to exceed \$27,000,000; and

WHEREAS, the City Council is mindful of the fact that, in order for the use of federally tax-exempt obligation proceeds to be considered “expended” for purposes of United States Treasury Department Internal Revenue Service Regulation 1.150-2 (“Reg. 1.150-2”) when used to reimburse the City for expenditures made prior to the issuance of the obligations, certain conditions including the making of a declaration of intent to reimburse such expenditures must be met.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the city of North Myrtle Beach, in council duly assembled:

That, pursuant to United States Treasury Department, Internal Revenue Service Regulation 1.150-2, the City of North Myrtle Beach, South Carolina, reasonably expects and intends to reimburse certain expenditures made on or after the date of June 21, 2024, for the purpose of defraying the cost of the Project from the proceeds of federally tax-exempt obligations of the City of North Myrtle Beach, South Carolina, to be issued as a general obligation bonds in an amount not currently expected to exceed \$27,000,000.

Amounts advanced to defray the cost of the Project will be paid from the Park Improvement Fund of the City.

A copy of this declaration of intent shall be maintained in the files and records of the City Council.

DONE, RATIFIED AND PASSED, THIS _____ DAY OF _____, 2024.

Marilyn Hatley, Mayor

ATTEST:

Allison K. Galbreath, City Clerk

Resolution: RES 24-06

STATE OF SOUTH CAROLINA

COUNTY OF HORRY

I, the undersigned, Clerk to City Council of the City of North Myrtle Beach, South Carolina (“City Council”), **DO HEREBY CERTIFY:**

That the foregoing constitutes a true, correct and verbatim copy of a resolution (the “**Resolution**”) adopted by the City Council of the City (the “**City Council**”), on August 19, 2024. At such meeting, a quorum of the City Council was present and remained present throughout the meeting.

The meeting of August 19, 2024, was a scheduled meeting of the City Council, for which notice had been previously given pursuant to and in conformity with Chapter 4, Title 30 of the Code of Laws of South Carolina 1976, as amended (the Freedom of Information Act). At least 24 hours prior to the commencement of such meeting, the agenda for such meeting, showing the time and place of the meeting and including as an item the consideration of the Resolution, was posted in the administrative offices of the City, posted on the City’s public website, and provided to news media and other persons requesting such notification.

The original of the Resolution is duly entered in the permanent records of the City, in my custody as Clerk.

The Resolution is now of full force and effect, and has not been modified, amended or repealed.

IN WITNESS WHEREOF, I have hereunto set my Hand and the Seal of the City, this 19th day of August, 2024.

(SEAL)

Allison K. Galbreath, City Clerk
City of North Myrtle Beach, South Carolina