

RESOLUTION NO. 1994 - 226

DELEGATION OF AUTHORITY TO MAKE DECLARATIONS OF OFFICIAL
INTENT AND ALLOCATIONS WITH RESPECT TO REIMBURSEMENTS OF
TEMPORARY ADVANCES MADE FOR CAPITAL EXPENDITURES TO BE MADE
FROM SUBSEQUENT BORROWINGS

WHEREAS, Treasury Regulations §150-2 (the "Reimbursement Regulations"), issued pursuant to Section 150 of the Internal Revenue Code of 1986, as amended, (the "Code") prescribes certain requirements by which proceeds of tax-exempt bonds, notes, certificates or other obligations included in the meaning of "bonds" under Section 150 of the Code ("Obligations") used to reimburse advances made for Capital Expenditures (as hereinafter defined) paid before the issuance of such Obligations may be deemed "spent" for purposes of Sections 103 and 141 to 150 of the Code and therefore, not further subject to any other requirements or restrictions under those sections of the Code; and

WHEREAS, such Reimbursement Regulations require that the Issuer (as hereinafter defined) make a Declaration of Official Intent (as hereinafter defined) to reimburse any Capital Expenditure paid prior to the issuance of the Obligations intended to fund such Capital Expenditure and require that such Declaration of Official Intent be made no later than sixty (60) days after payment of the Capital Expenditure and further require that the Allocation (as hereinafter defined) of the proceeds of such Obligations to reimburse such Capital Expenditures occur no later than eighteen (18) months after the later of the date the Capital Expenditure was paid or the date the property acquired with the Capital Expenditure was placed in service, except that any such Allocation must be made no later than three years after such Capital Expenditure was paid;

WHEREAS, the Reimbursement Regulations provide that Issuers may delegate the authority for making such Declarations of Official Intent and Allocations to one or more individuals; and

WHEREAS, the Greater Cleveland Regional Transit Authority (the "Authority") wishes to ensure compliance with the Reimbursement Regulations:

NOW, THEREFORE, be it resolved by the Board of Trustees of the Authority:

Section 1. Definitions. The following definitions apply to the terms used herein:

"Allocation" means written evidence that proceeds of Obligations issued subsequent to the payment of a Capital Expenditure are to effect the reimbursement of the Authority for such payments.

"Authorized Officer" means the General Manager or the Deputy General Manager of the Authority and any person with authority at the time to exercise functions of the respective office.

"Capital Expenditures" means any expense for an item that is properly depreciable or amortizable or is otherwise treated as a capital expenditure for purposes of the Code, as well as any costs of issuing Reimbursement Bonds.

"Declaration of Official Intent" means a written declaration that the Authority intends to fund a Capital Expenditure with an issue of Reimbursement Bonds and reasonably expects to be reimbursed from the proceeds of such an issue.

"Issuer" means either a governmental unit that is reasonably expected to issue Obligations or a governmental entity or 501(c)(3) organization that is reasonably expected to borrow funds from the actual issuer of the Obligations.

"Reimbursement" means the restoration to the Authority of money temporarily advanced from other funds of the Authority to pay for Capital Expenditures before the issuance of Obligations intended to fund such Capital Expenditure. "To reimburse" means to make such a restoration.

"Reimbursement Bonds" means Obligations that are issued to reimburse the Authority for Capital Expenditures previously paid by or for the Authority.

"Reimbursement Regulations" means Treasury Regulations §150-2 and any amendments thereto or superseding regulations, whether in proposed, temporary or final form, as applicable, prescribing conditions under which the proceeds of Obligations when allocated or applied to a reimbursement will be treated as "spent" for purposes of Sections 103 and 141 to 150 of the Code.

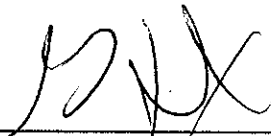
Section 2. Authorization to Make Declarations of Official Intent and Allocations. Each Authorized Officer is hereby authorized to make Declarations of Official Intent, which satisfy the Reimbursement Regulations, on behalf of the Authority, with respect to Capital Expenditures to be paid from moneys temporarily available that are reasonably expected to be reimbursed (in accordance with applicable authorizations, policies and practices) from the proceeds of Reimbursement Bonds and to make timely Allocations, which satisfy the Reimbursement Regulations, of the proceeds of such Reimbursement Bonds to reimburse prior Capital Expenditures, and to take or cause to be taken any other actions that may be appropriate to satisfy the requirements of the Reimbursement Regulations, or any other Treasury Regulations, so that proceeds used for reimbursement will be treated as "spent" on the prior Capital Expenditures for purposes of Sections 103 and 141 to 150 of the Code. All Declarations of Official Intent and Allocations heretofore made on behalf of the Authority, are hereby ratified and adopted.

Section 3. Open Meeting. It is found and determined that all formal actions of this Board of Trustees of the Authority concerning and relating to the adoption of this resolution were adopted in an open meeting of this Board of Trustees of the Authority; and that all deliberations of this Board of Trustees of the Authority and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with the law.


The undersigned has been authorized by the Board of Trustees of the Authority to sign this resolution on behalf of the Board of Trustees of the Authority.

Section 4. That this resolution shall become effective immediately upon its adoption.

Adopted: December 20, 1994



President

Attest: 

General Manager/Secretary-Treasurer