

Resolution No. 19-2013

**REDEVELOPMENT AUTHORITY OF THE CITY OF
HARRISBURG**

Whereas, on June 30, 2004 the Redevelopment Authority of the City of Harrisburg (the "Authority") adopted a Resolution authorizing the purchase from the Harrisburg School District (the "District") of the District's tax claims for the fiscal year ending June 30, 2004 and all prior years (collectively, the "2004 Tax Claims"); and

Whereas, on February 25, 2005 the Board of the Authority adopted a Resolution authorizing the purchase from the District of the District's tax claims for the fiscal year ending June 30, 2005 (the "2005 Tax Claims"); and

Whereas, in February of 2006 the Board of the Authority adopted a Resolution authorizing the purchase from the District of the District's tax claims for the fiscal year ending June 30, 2006 (the "2006 Tax Claims") and for the fiscal year ending June 30, 2007 (the "2007 Tax Claims"); and

Whereas, on February 19, 2008 the Board of the Authority adopted a Resolution authorizing the purchase from the District of the District's tax claims for the fiscal year ending June 30, 2008 (the "2008 Tax Claims"); and

Whereas, on April 21, 2009 the Board of the Authority adopted a Resolution authorizing the purchase from the District of the District's tax claims for the fiscal year ending June 30, 2009 (the "2009 Tax Claims") and for the fiscal year ending June 30, 2010 (the "2010 Tax Claims"); and

Whereas, on December 21, 2010 the Board of the Authority adopted a Resolution authorizing the purchase from the District of the District's tax claims for the fiscal year ending June 30, 2011 (the "2011 Tax Claims"), for the fiscal year ending June 30, 2012 (the "2012 Tax Claims") and for the fiscal year ending June 30, 2013 (the "2013 Tax Claims"); and

Whereas, pursuant to the Agreement of Sale and Purchase of Tax Claims, dated as of June 30, 2004, as amended (the "June 30, 2004 Agreement"), between the Authority and the District, a program exists for the continued purchase of the District's tax claims by the Authority; and

Whereas, to finance its purchase of Tax Claims, the Authority maintains a Line of Credit Loan and Security Agreement, dated June 30, 2004, as amended and supplemented, and a Master Note, dated June 30, 2004, as amended and supplemented, with Metro Bank, formerly Commerce Bank/Harrisburg, National Authority ("Metro Bank") (collectively, the "Metro Bank Loan"); and

Whereas, the District currently has outstanding real estate tax claims for the fiscal year ending June 30, 2014 (the "2014 Tax Claims"); and

Whereas, it is anticipated that the District will have outstanding real estate tax claims for the fiscal year ending June 30, 2015 (the "anticipated 2015 Tax Claims"); and

Whereas, it is anticipated that the District will have outstanding real estate tax claims for the fiscal year ending June 30, 2016 (the "anticipated 2016 Tax Claims"); and

Whereas, it is anticipated that the District will have outstanding real estate tax claims in an estimated amount of a similar amount for the fiscal year ending June 30, 2017 (the "anticipated 2017 Tax Claims"); and

Whereas, it is anticipated that the District will have outstanding real estate tax claims in an estimated amount of a similar amount for the fiscal year ending June 30, 2018 (the "anticipated 2018 Tax Claims"); and

Whereas, the District is desirous of selling its 2014 Tax Claims, on or after January 1, 2014, to the Authority; and

Whereas, the District is desirous of selling its anticipated 2015 Tax Claims, on or after January 1, 2015, to the Authority; and

Whereas, the District is desirous of selling its anticipated 2016 Tax Claims, on or after January 1, 2016, to the Authority; and

Whereas, the District is desirous of selling its anticipated 2017 Tax Claims, on or after January 1, 2017, to the Authority; and

Whereas, the District is desirous of selling its anticipated 2016 Tax Claims, on or after January 1, 2018, to the Authority; and

Whereas, Metro Bank has indicated a willingness to amend and supplement the Metro Bank Loan in order to allow the Authority to have sufficient funds necessary to purchase the above tax claims (the "Bank Loan"); and

Whereas, the sole collateral for the Bank Loan will be the above tax claims, which the District will assign to the Authority and which tax claims the Authority will in turn assign to the lender; and

Whereas, the repayment of the Bank Loan will be made from funds generated by real estate tax payments received from the real estate owners whose properties are a part of the above tax claims; and

Whereas, there will be no recourse for the Bank Loan directly or indirectly from the Authority; and

Whereas, an addendum to the June 30, 2004 Agreement will be entered into by the District and the Authority for the acquisition of the above tax claims.

Now therefore be it resolved that, the Authority hereby agrees, on or after January 1, 2014 to purchase the anticipated 2014 Tax Claims from the District, and, on or after January 1, 2015, to purchase the anticipated 2015 Tax Claims from the District, and, on or after January 1, 2016, to purchase the anticipated 2016 Tax Claims from the District, and on or after January 1, 2017, to purchase the anticipated 2017 Tax Claims, and on or after January 1, 2018, to purchase the anticipated 2018 Tax Claims; and

Be it further resolved, the Authority hereby further agrees that the addendum to the June 30, 2004 Agreement for the acquisition of such tax claims shall be in a form as approved by the Authority's Chairman and the Authority's legal counsel; and

Be it further resolved, that the Authority be and is hereby authorized to borrow the funds necessary from Metro Bank to purchase the above tax claims, conditioned on such terms and conditions being the best overall for the Authority as approved by the Authority's Chairman and the Authority's legal counsel; and

Be it further resolved, that upon the sale of the above tax claims, the District will assign such sold tax claims to the Authority and the Authority will in turn assign these tax claims to the lender; and

Be it finally resolved, that any member of the Executive Board of the Authority be and is hereby authorized to take any and all actions necessary and required to complete the above transactions, including, but not limited to, the execution of all documents subject to the approval of its legal counsel.

Duly adopted this day of October 15, 2013 by the Board of the Redevelopment Authority of the City of Harrisburg in lawful session duly assembled.

ATTEST:

By: 
Secretary

**REDEVELOPMENT AUTHORITY OF
THE CITY OF HARRISBURG**

By: 
Daniel C. Leppo, Chairman

CERTIFICATE

I, the undersigned Secretary of the Redevelopment Authority of the City of Harrisburg, certify that the foregoing Resolution was adopted by a majority vote of its Board at a meeting duly convened according to law and held on October 15, 2013 at which meeting a quorum was present; said Resolution was adopted by an aye or nay vote; said Resolution and the vote thereon showing how each Board member voted have been recorded in the minute book of said Board; and said Resolution remains in effect, unaltered and unamended as of the date of this Certificate.

IN WITNESS WHEREOF, I set my hand and official seal of the Redevelopment Authority of the City of Harrisburg, this 15th day of October, 2013.


Secretary

(SEAL)