

FILE OF THE CITY CLERK

ADMINISTRATION RESOLUTION NO. 66 – 2017

APPROVED BY COUNCIL – DECEMBER 12, 2017

A RESOLUTION OF THE COUNCIL OF THE CITY OF LANCASTER TO AUTHORIZE THE ADMINISTRATION TO SELL THE 2018 TAX CLAIMS, THE ANTICIPATED 2019 TAX CLAIMS AND THE ANTICIPATED 2020 TAX CLAIMS TO THE REDEVELOPMENT AUTHORITY ON SUCH TERMS AND CONDITIONS AS APPROVED BY THE MAYOR AND THE CITY SOLICITOR.

WHEREAS, on August 26, 2008, the City Council of the City of Lancaster (the "City") adopted Resolution No. 49-2008 to sell its real estate tax claims for the fiscal year ending December 31, 2007 and prior years (collectively, the "2007 Tax Claims"), for the fiscal year ending December 31, 2008 (the "2008 Tax Claims") and for the fiscal year ending December 31, 2009 (the "2009 Tax Claims") to the Redevelopment Authority of City of Lancaster (the "Authority"); and

WHEREAS, on April 13, 2010, the City of Lancaster adopted Resolution No 25-2010 to sell its delinquent real estate tax claims for the for the fiscal year ending December 31, 2010 (the "2010 Tax Claims") to the Authority; and

WHEREAS, on December 13, 2011, the City of Lancaster adopted Resolution No 59-2011 to sell its delinquent real estate tax claims for the for the fiscal year ending December 31, 2011 (the "2011 Tax Claims"), December 31, 2012 (the "2012 Tax Claims"), and December 31, 2013 (the "2013 Tax Claims"), to the Authority; and

WHEREAS, on April 8, 2014, the City of Lancaster adopted Resolution No 17-2014 to sell its delinquent real estate tax claims for the for the fiscal year ending December 31, 2014 (the "2014 Tax Claims"), December 31, 2015 (the "2015 Tax Claims"), and December 31, 2016 (the "2016 Tax Claims"), to the Authority; and

WHEREAS, the City will be owed outstanding taxes that will be secured by real estate tax claims for the fiscal year ending December 31, 2017 (the "2017 Tax Claims"); (ii) will be owed additional outstanding taxes that will be secured by real estate tax claims for the fiscal year ending December 31, 2018 (the "anticipated 2018 Tax Claims"); and also (iii) will be owed additional outstanding taxes that will be secured by real estate tax claims for the fiscal year ending December 31, 2019 (the "anticipated 2019 Tax Claims"); and

WHEREAS, pursuant to the Agreement of Sale and Purchase of Tax Claims, dated as of August 31, 2008, as amended and supplemented, between the City and Authority (the "August 31, 2008 Agreement"), a program continues to exist for Authority, on or after January 1, 2018, to purchase the City's 2017 Tax Claims in exchange for an estimated amount not to exceed that fiscal year's real estate tax settlement amount and, on or after January 1, 2019, to purchase the City's anticipated 2018 Tax Claims in exchange for an estimated amount not to exceed that fiscal year's real estate tax settlement amount, and, on or after January 1, 2020, to purchase the City's anticipated 2019 Tax Claims in exchange for an estimated amount not to exceed that fiscal year's real estate tax settlement amount; and

WHEREAS, an Addendum to the August 31, 2008 Agreement, which includes therein a

mandatory repurchase obligation by the City under certain circumstances, together with any other documents or instruments necessary to complete the transaction will be entered into by the City and Authority for the purchase, sale and assignment of the 2017 Tax Claims and shall be further amended by the City and Authority for the subsequent purchase, sale and assignment of the anticipated 2018 Tax Claims and anticipated 2019 Tax Claims.

NOW THEREFORE, IT IS HEREBY

RESOLVED, that the City shall sell its 2017 Tax Claims, on or after January 1, 2018, in exchange for an estimated amount not to exceed that fiscal year's real estate tax settlement amount, and, on or after January 1, 2019, to sell the anticipated 2018 Tax Claims in exchange for an estimated amount not to exceed that fiscal year's real estate tax settlement amount, and, on or after January 1, 2020, to sell the anticipated 2019 Tax Claims in exchange for an estimated amount not to exceed that fiscal year's real estate tax settlement amount to the Authority pursuant to the August 31, 2008 Agreement, as amended, which includes, or will include, therein a mandatory repurchase obligation by the City under certain circumstances and other supporting documents and amendments that shall be in a form approved by the Mayor and the City Solicitor; and be it

FURTHER RESOLVED, that the City be and is hereby authorized to sell the 2017 Tax Claims, the anticipated 2018 Tax Claims and the anticipated 2019 Tax Claims to Authority on such terms and conditions as approved by the Mayor and the City Solicitor; and be it

FURTHER RESOLVED, that upon sale, the City will assign such sold tax claims to Authority and Authority will in turn assign these tax claims to its lender; and be it

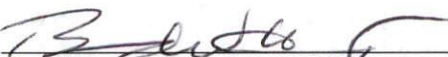
FURTHER RESOLVED, that the City shall exclusively utilize the firm of Municipal Revenue Services, Inc. ("MRS") to facilitate the structure, closing and implementation of the sale of the 2017 Tax Claims, the 2018 Tax Claims and 2019 Tax Claims as contemplated by the 2008 Sales Agreement and all Addendums, and further that the City shall defer to MRS in the selection of the purchaser of said tax claims each year.

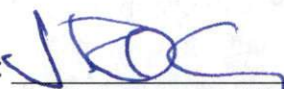
FURTHER RESOLVED, that, as necessary, the City shall execute such documents with Authority and other appropriate entities as shall be reasonably necessary to facilitate the continued collection and servicing of the 2017 Tax Claims, the anticipated 2018 Tax Claims and the anticipated 2019 Tax Claims; and be it

FINALLY RESOLVED, that the proper City officials be and they are hereby authorized and directed to take any and all actions necessary and required to complete the transaction, including, but not limited to, the execution of all documents subject to the approval as to form of said document by legal counsel for the City.

ATTEST:

CITY OF LANCASTER

By: 
Bernard W. Harris, Jr., City Clerk

By: 
J. Richard Gray, Mayor