

Introduced and Read: _____
Adopted _____
Posted: _____
Effective Date: _____

CITY OF MOUNT RAINIER, MARYLAND

RESOLUTION NO.2-2010

(Drafted by City Attorney)

Introduced by _____

A Resolution Declaring the Official Intent of the City of Mount Rainier to Reimburse Prior Expenditures Made in Connection With the Acquisition of Real Property located at 3200 Rhode Island Avenue and 3701 Eastern Avenue, Mount Rainier, Maryland, from the Proceeds of a Tax-Exempt Bond to be Issued by the City.

WHEREAS, on December 21, 2009, the City of Mount Rainier purchased real property located at 3200 Rhode Island Avenue and 3701 Eastern Avenue, Mount Rainier, Maryland, in a blighted area of the Mount Rainier Town Center Urban Renewal Area (“Property Purchase”); and

WHEREAS, the City anticipates borrowing money for the Property Purchase and to evidence such borrowing by a tax-exempt, bank-qualified note or other evidence of indebtedness (“the Bond”), secured by the general obligation of the City; and

WHEREAS, the City has spent City funds on the Property Purchase prior to issuance of the Bond by the City (“Issuer”); and

WHEREAS, the City, as Issuer, intends to reimburse the City for its prior expenditures for the Property Purchase from the proceeds of the Bond; and

WHEREAS, in accordance with the applicable provisions of the Internal Revenue Code, as amended, and Section 1.150-2 of the Treasury Regulations, the City, as Issuer, is required to declare its reasonable official intent to reimburse prior expenditures for the Property Purchase with the proceeds of a subsequent borrowing.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MOUNT RAINIER, MARYLAND that, in accordance with Section 1.150-2 of the Treasury Regulations, the City makes this declaration of official intent to expend money on the Property Purchase prior to the issuance of the Bond and to use certain of the proceeds of the Bond to reimburse itself for such prior Property Purchase expenditures. The City, as Issuer, reasonably expects to issue a Bond in the estimated maximum principal amount of One Million Five Hundred Thousand Dollars (\$1,500,000.00) and to use certain of the proceeds of such Bond to reimburse itself for the prior Property Purchase expenditures.

THIS RESOLUTION IS ADOPTED BY THE COUNCIL OF THE CITY OF MOUNT RAINIER THIS ____ DAY OF _____, 2010, AND IS EFFECTIVE IMMEDIATELY UPON ADOPTION.

Attest:

Jeannelle B. Wallace, City Manager

Malinda Miles, Mayor

Alta Morton, Council Member

Jimmy Tarlau, Council Member

Bryan Knedler, Council Member

Ivy Thompson, Council Member