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2 **Resolution Relating to**
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RESOLUTION
Sponsor(s): Councilors Bushor,
Aubin, Knodell: Bd. of Finance
Introduced: _____
Referred to: _____
Action: _____
Date: _____
Signed by Mayor: _____

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7 PREPAYMENT OF 1999 URBAN RESERVE
8 CERTIFICATES OF PARTICIPATION (COPs)
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11
12 **CITY OF BURLINGTON**

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14 In the year Two Thousand Thirteen.....
15 Resolved by the City Council of the City of Burlington, as follows:

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17 That WHEREAS, on September 23, 2013, the Burlington City Council approved by resolution the City’s
18 part in the “Act 80” settlement of disputed amounts identified in the 2012 Report of the Office of the State
19 Auditor (“Auditor’s Report”) as relating to Burlington’s Waterfront TIF District; and

20 WHEREAS, the Auditor’s Report specifically alleged that the City improperly retained \$1 million of
21 State Education Fund money, the bulk of which was for the debt service on \$1,390,000.00 Certificates of
22 Participation (“COP’s”) issued in 1999 to refinance the City’s purchase of the Urban Reserve; and

23 WHEREAS, the “Act 80” settlement resolved all outstanding allegations of underpayment raised by
24 the Auditor’s Report up to the settlement date and prepayment of the remaining debt service on the Urban
25 Reserve COPs will completely eliminate any future issue of contention between the City of Burlington and
26 the State of Vermont; and

27 WHEREAS, the City has sufficient escrowed funds in its Waterfront TIF account to prepay the
28 remaining \$573,502.50 principal and interest on the 1999 Urban Reserve COPs on December 1, 2013
29 without negative impact on the City’s finances and without negative impact on plans for the Waterfront TIF
30 District;

31 NOW, THEREFORE, BE IT RESOLVED that the City Council does hereby authorize an adjustment
32 to the City budget to prepay the remaining \$573,502.50 principal and interest on the 1999 Urban Reserve
33 COPs to close out this debt on December 1, 2013, and authorizes Chief Administrative officer Bob Rusten,
34 or his designee, to make such adjustments and to execute all necessary documents.