

Resolution No. 1464

A RESOLUTION OF THE COUNCIL OF THE CITY OF SALISBURY AMENDING RESOLUTION NO. 1119, ADOPTED BY THE COUNCIL ON JUNE 21, 2004 AND APPROVED BY THE MAYOR ON JUNE 23, 2004, WHICH (A) CREATED A DEVELOPMENT DISTRICT PURSUANT TO SECTIONS 14-201 THROUGH 14-214, INCLUSIVE, OF ARTICLE 41 OF THE ANNOTATED CODE OF MARYLAND (THE "TIF ACT"), AND A GEOGRAPHICALLY COINCIDENT SPECIAL TAXING DISTRICT PURSUANT TO SECTION 44A OF ARTICLE 23A OF THE ANNOTATED CODE OF MARYLAND (THE "STD ACT"), BOTH TO BE KNOWN AS "THE VILLAGE AT SALISBURY LAKE DEVELOPMENT DISTRICT" (COLLECTIVELY, THE "DEVELOPMENT DISTRICT"), (B) ESTABLISHED CERTAIN SPECIAL FUNDS WITH RESPECT THERETO, AND (C) DETERMINED OTHER MATTERS RELATING TO SUCH DEVELOPMENT DISTRICT, IN ORDER TO EXTEND THE DATE PROVIDED FOR IN SECTION 13 OF RESOLUTION NO. 1119 BY WHICH SUCH RESOLUTION SHALL BE REVOKED AND BECOME TERMINATED, NULL AND VOID IF NO BONDS HAVE BEEN ISSUED UNDER THE TIF ACT AND THE STD ACT WITH RESPECT TO THE DEVELOPMENT DISTRICT FROM DECEMBER 31, 2006 TO DECEMBER 31, 2009; RESERVING THE RIGHT OF THE MAYOR AND COUNCIL TO ENACT OR ADOPT ADDITIONAL ORDINANCES OR RESOLUTIONS OR TAKE OTHER OFFICIAL ACTIONS RELATING TO THE DEVELOPMENT DISTRICT BEFORE ANY BONDS ARE ISSUED; AND PROVIDING FOR THE CONTINUATION IN FORCE AND EFFECT OF RESOLUTION NO. 1119, AS SO AMENDED HEREBY.

RECITALS

WHEREAS, pursuant to Sections 14-201 through 14-214, inclusive, of Article 41 of the Annotated Code of Maryland (the "Tax Increment Financing Act") and Resolution No. 1119, adopted by the Council of City of Salisbury (the "City") on June 21, 2004 and approved by the Mayor of the City on June 23, 2004 ("Resolution No. 1119"), the City (i) designated a contiguous area situated within its corporate boundaries of approximately 78 acres located on the north side of Glen Avenue between Beaglin Park Drive and Civic Avenue, together with that portion of St. Albans Drive that runs in a northeasterly direction from Glen Avenue between certain of the tax parcels identified on Exhibit A to Resolution No. 1119 and to the northern boundary of such tax parcels located adjacent to St. Albans Drive (which comprehensive area includes the old Salisbury Mall buildings), as described on Exhibit A and Exhibit C to Resolution No. 1119, as a development district to be known as "The Village at Salisbury Lake Development District", and (ii) established the special fund required therefor under the Tax Increment Financing Act to be known as "The Village at Salisbury Lake Tax Increment Fund" (the "Special Tax Increment Fund"); and

WHEREAS, pursuant to Section 44A of Article 23A of the Annotated Code of Maryland (the "Special Taxing District Act") and Resolution No. 1119, the City (i) designated the development district established thereunder pursuant to the Tax Increment Financing Act as a geographically coincident special taxing district also to be known as "The Village at Salisbury Lake Development District", and (ii) established the special fund required therefor under the

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Special Taxing District Act to be known as “The Village at Salisbury Lake Special Taxing District Fund” (the “Special Taxing District Fund” and, together with the Special Tax Increment Fund, the “Special Funds”); and

WHEREAS, the geographically coincident development district and special taxing district designated pursuant to Resolution No. 1119 are collectively referred to as the “Development District” in Resolution No. 1119; and

WHEREAS, Resolution No. 1119 contemplates that the City will issue revenue bonds, notes or other similar instruments (collectively, the “Bonds”) pursuant to the authority of the Tax Increment Financing Act and the Special Taxing District Act (collectively, the “Acts”) in order to finance, refinance or reimburse costs of certain public improvements located in (or outside but reasonably related to) the Development District and other related costs, as permitted by the Acts; and

WHEREAS, Resolution No. 1119 further describes certain redevelopment activities that the owners of property located within the Development District expected to undertake at the time Resolution No. 1119 was adopted; and

WHEREAS, pursuant to Resolution No. 1119, the City took certain other actions required by the Acts; and

WHEREAS, Resolution No. 1119 provides that before any Bonds are issued with respect to the Development District, the Council will enact an ordinance as required by the Acts; and

WHEREAS, Section 13 of Resolution No. 1119 provides that in the event no Bonds are issued pursuant to the Acts to finance, refinance or reimburse the costs of public improvements with respect to the Development District and other costs permitted under the Acts by December 31, 2006, such Resolution shall be automatically revoked without further action by the Mayor and Council and shall be considered terminated, null and void; and

WHEREAS, although the City understands that the owners of property within the Development District will not be able to redevelop the Development District as originally contemplated, the City desires to extend the sunset date set forth in Resolution No. 1119; and

WHEREAS, before any Bonds are issued with respect to the Development District pursuant to the Acts, the City will be required to enact the ordinance required by the Acts and may need or desire to enact or adopt additional resolutions or ordinances or take other official actions with respect to matters concerning the Development District and any Bonds issued with respect thereto, including (without limitation) approving the redevelopment activities to be undertaken by owners of property within the Development District and identifying the public improvements the costs of which shall be financed, refinanced or reimbursed from the proceeds of any Bonds; and

WHEREAS, the Council of the City of Salisbury held a public hearing prior to the adoption of this Resolution and publication of such public hearing was given pursuant to notice published in a newspaper of general circulation in the City not less than 10 days before such public hearing; and

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WHEREAS, pursuant to the Acts, this Resolution may not be subject to referendum by reason of any other State of Maryland or local law.

SECTION 1. DEFINITIONS. NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Salisbury, Maryland, that the Recitals hereto are deemed a substantive part of this Resolution and are incorporated by reference herein.

SECTION 2. AMENDMENT TO RESOLUTION NO. 1119. BE IT FURTHER RESOLVED that, from and after the effective date of this Resolution, the second sentence of Section 13 of Resolution No. 1119 is hereby deleted in its entirety and inserted in place thereof shall be the following:

“In the event no Bonds are issued pursuant to the Acts to finance, refinance or reimburse the costs of public improvements with respect to the Development District and other costs permitted under the Acts by December 31, 2009, this Resolution shall be automatically revoked without further action by the Mayor and Council and shall be considered terminated, null and void; provided that the Mayor and Council may take such actions as may be necessary in accordance with the Acts to provide for the expenditure or transfer of any moneys then on deposit in the Special Funds subsequent to such date.”

SECTION 3. RESERVATION OF RIGHTS. BE IT FURTHER RESOLVED that, notwithstanding the extension of the revocation date provided for in Section 13 of Resolution No. 1119 by operation of this Resolution from December 31, 2006 to December 31, 2009, the Mayor and Council reserve the right to enact or adopt additional ordinances or resolutions or take other official actions with respect to matters concerning the Development District and any Bonds issued with respect thereto, including (without limitation) approving the redevelopment activities to be undertaken by the owners of property within the Development District and identifying the public improvements the costs of which shall be financed, refinanced or reimbursed from the proceeds of any Bonds, before any Bonds are issued pursuant to the authority of the Acts with respect to the Development District.

SECTION 4. EFFECT OF THIS RESOLUTION. BE IT FURTHER RESOLVED that, from and after the effective date of this Resolution, Resolution No. 1119 shall be amended as provided herein and, except as specifically amended by this Resolution, Resolution No. 1119 shall remain in full force and effect.

SECTION 5. EFFECTIVE DATE. BE IT FURTHER RESOLVED that this Resolution shall become effective upon adoption by the Council and approval by the Mayor.

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THIS RESOLUTION was introduced, read and adopted at a meeting of the Council of the City of Salisbury held on the _____ day of _____, 2006.

ATTEST:

Brenda J. Colegrove
CITY CLERK

Michael P. Dunn
PRESIDENT, City Council

Approved by me this _____ day of _____, 2006.

Barrie P. Tilghman
MAYOR, City of Salisbury

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