

ATTACHMENT B

Housing Authority of Prince George's County

Resolution No. LHA- 1293

Park Tanglewood Apartments

WHEREAS, The Housing Authority of Prince George's County ("The Authority"), acting by and through its Board, is a housing authority created by the laws of the State of Maryland and has designated as one of its primary functions affordable housing development assistance in Prince George's County, Maryland (the "County"); and

WHEREAS, pursuant to Sections 12-101, 17-102 and 17-107 of the Housing and Community Development Article of the Annotated Code of Maryland (the "Code"), as amended, with the approval of the County governing body, the Housing Authority has the power to make construction loans and long-term mortgage loans to produce housing, to purchase and to insure mortgages secured by housing, and to issue and sell bonds and notes to finance housing, housing rehabilitation and housing projects as it may determine necessary; and

WHEREAS, the Authority in carrying out its functions of housing development believes that it is in the best interest of the County that the Housing Authority support and facilitate the acquisition and rehabilitation of the Park Tanglewood Apartments located at 5309 Riverdale Road, Riverdale Maryland, comprised of one hundred eighty (180) units in a seven (7) story building on approximately 3.9 acres. The property's unit composition includes six (6) efficiencies, one hundred twenty nine (129) one bedroom units and forty five (45) two bedrooms units (the "Project"); and

WHEREAS, Park Tanglewood Venture, LP and MRK Partners, (the "Borrower"), are seeking financing for the acquisition and rehabilitation of the project through the issuance and sale of such bonds of the Authority; and

WHEREAS, all or a portion of the project may be financed with proceeds of the Authority's Tax Exempt Housing Revenue bonds, (the "Bonds") in an aggregate principal amount not to exceed \$25,000,000; and

WHEREAS, the Borrower expects to advance its own funds to pay expenditures related to the Project (the "Expenditures") prior to the issuance of Bonds by the Authority and to receive reimbursement for such expenditures from Proceeds of the Bonds.

NOW THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Housing Authority of Prince George's County that:

1. In carrying out its function of housing development, the Authority expresses its present intent to issue and sell the Bonds in an aggregate Principal amount not to exceed \$25,000,000 to finance the Borrower's acquisition and rehabilitation of the Project.
2. Subject to approval of the issuance of bonds by the County Executive and the County Council of Prince George's County, the Executive Director and/or his designated representatives are authorized to enter into agreements and to take such actions required to be taken pursuant to the Act and regulations of the Authority, and as the Executive Director deems appropriate to facilitate the issuance and sale of Bonds.
3. The Borrower intends that a portion of the proceeds of the Bonds be used to reimburse the Borrower for Expenditures with respect to the Project made on or after the date that is no more than sixty (60) days prior to the date of this Resolution. The Borrower reasonably expects on the date hereof that it will reimburse the Expenditures with the proceeds of the Bonds or other debts.
4. Each Expenditure was or will be, unless otherwise approved by bond counsel, either (a) of a type properly chargeable to a capital account under general federal income tax principles (determined in each case as of the date of the Expenditure), (b) a cost of issuance with respect to the Bonds, or (c) a non-recurring item that is not customarily payable from current revenues.
5. The Borrower intends to make a reimbursement allocation, which is a written allocation by the Borrower that evidences the Borrower's use of proceeds of the Bonds to reimburse an Expenditure, no later than eighteen (18) months after the later of the date on which the Expenditure is paid or the Project is placed in service or abandoned, but in no event more than three years after the date on which the Expenditure is paid. The Borrower recognizes that exceptions are available for certain "Preliminary expenditures", cost of issuance, certain de minimus amounts, and expenditures for construction of at least five years.
6. The Borrower intends that the adoption of this Resolution confirms the "Official Intent" within the meaning of Treasury Regulations Section 1.150-2 promulgated under the Internal Revenue Code of 1986, as amended.
7. Final approval of any financing shall be subject to the terms, conditions and documentation acceptable or deemed necessary by the Authority.
8. Adoption of this Resolution shall not constitute a commitment from the Authority to provide financing for the Project.
9. This Resolution shall be effective from the date of its adoption.

Adopted this 27th day of September, 2016

Attest: Housing Authority of Prince Georges County

Eric C. Brown
Executive Director/Secretary

Paul E. Rowe
Chairman

Approved for Legal Sufficiency

General Counsel