

RESOLUTION NO. R 067 85

A PROJECT RESOLUTION AUTHORIZING AMENDMENT AND RESTATEMENT OF THE COUNTY'S \$7,700,000 ECONOMIC DEVELOPMENT REVENUE BOND (REHOBOTH MALL PROJECT) SERIES 1984

WHEREAS, Council of Sussex County (the County) acting pursuant to the Sussex County Commercial, Industrial and Agricultural Ordinance, Ordinance No. 80, as amended, as supplemented by a Project Resolution adopted December 18, 1984 (collectively the "Ordinance") issued its Economic Development Revenue Bond (Rehoboth Mall Project) in the aggregate principal amount of \$7,770,000 on December 28, 1984 to assist in financing for Rehoboth Mall Limited Partnership (the "Applicant") a project consisting of the construction of a shopping center and related facilities on Route 1, between County Route 274 and Delaware Route 274, Rehoboth, Delaware (the "Project");

WHEREAS, the bond was sold to Bank of New York (Delaware)(the "Bond Purchaser") pursuant to a Bond Purchase and Loan Agreement dated as of December 27, 1984 between the County, the Applicant and the Bond Purchaser;

WHEREAS, the parties desire to modify the terms of the financing as follows:

1. To extend the final maturity out to December 1, 2015;
2. To provide for the principal to be amortized with monthly payments commencing January 1, 1991;
3. Via a Put Option Agreement the Bond Purchaser will retain the right to demand full payment on January 1, 1991;
4. The Applicant, on behalf of the County, will be able to elect to convert the interest rate at any time to a market fixed rate. At that time, the Bond Purchaser can demand full payment but it will agree to sell the Bond to another lender;
5. The Applicant can provide some credit enhancement and revise the interest rate accordingly to some different market

variable rate or fixed rate. At that time, the Bond Purchaser can demand full payment but it will agree to sell the Bond to other purchasers;

WHEREAS, all other terms and conditions relating to the financing will remain the same; and

WHEREAS, after notice published in The Delaware State News on December 5, 1985, the Bond Review Committee held a public hearing concerning the project with respect to the modification of the financing as described above during which all interested persons have been given an opportunity to be heard and, after said hearing, the Bond Review Committee recommended approval of the proposed modification of the financing,

NOW, THEREFORE,

BE IT RESOLVED:

1. The proposed modification of the terms of the County's \$7,770,000 Economic Development Revenue Bond (Rehoboth Mall Project) Series 1984 as hereinabove described is hereby approved.

2. To accomplish the foregoing, the County Administrator is hereby authorized and directed to execute and deliver a First Amendment to Bond Purchase and Loan Agreement and a First Amended and Restated Economic Development Revenue Bond (Rehoboth Mall Project) Series 1984 in the initial principal amount of \$7,770,000 in substantially the form presented to this meeting with such modification as may be approved by the Applicant and the Bond Purchaser.

I DO HEREBY CERTIFY THAT THE FOREGOING IS A TRUE AND CORRECT COPY OF RESOLUTION NO. R 067 85 PASSED BY THE COUNTY COUNCIL OF SUSSEX COUNTY ON THE 23RD DAY OF DECEMBER, 1985.


EMOGENE P. ELLIS
CLERK OF THE COUNTY COUNCIL

SYNOPSIS: This Project Resolution authorizes the County to modify the terms of its \$7,770,000 Economic Development Revenue Bond (Rehoboth Mall Project) Series 1984, dated December 28, 1984 issued in connection with the financing of a project for Rehoboth Mall Limited Partnership consisting of the construction of a shopping center and related facilities on Route 1, between County Route 274 and Delaware Route 24, Rehoboth, Delaware.

FISCAL NOTE: This Project Resolution, inasmuch as it is an authorization to amend an economic development revenue bond, has no direct fiscal impact on Sussex County. The bond or obligation contemplated by this resolution will be a limited obligation of the County, which will not constitute or give rise to any pecuniary liability of the County other than from the revenues derived from the project financed, which will be specifically pledged to payment of principal and interest on the bond.