

1  
2  
3 **Resolution Relating to**

**RESOLUTION** \_\_\_\_\_

Sponsor(s): Councilors Keogh,  
Wright, Paul: Bd. of Finance

Introduced: 9/13/2010

Referred to: \_\_\_\_\_

Action: \_\_\_\_\_

Date: \_\_\_\_\_

Signed by Mayor: \_\_\_\_\_

4  
5  
6 AMENDED APPROVAL OF REFINANCING  
7 CERTAIN TAX-EXEMPT AIRPORT FACILITY  
8 REVENUE BONDS BY BURLINGTON  
9 COMMUNITY DEVELOPMENT CORPORATION  
10 FOR REFUNDING AND FINANCING OF SOME  
11 COSTS OF CERTAIN AIRPORT FACILITIES

12  
13 **CITY OF BURLINGTON**

14 In the year Two Thousand Ten.....

15 Resolved by the City Council of the City of Burlington, as follows:

16  
17 That WHEREAS, the City of Burlington ("City") owns and operates the Burlington  
18 International Airport in South Burlington, Vermont ("Airport"); and

19 WHEREAS, the Burlington Community Development Corporation ("BCDC") is a non-  
20 profit corporation duly authorized and existing with the Vermont Non-Profit Corporation Act;  
21 and

22 WHEREAS, on July 12, 2010, this body approved by resolution ("July 12, 2010  
23 Approval") the refinancing of certain tax-exempt Airport facility revenue bonds by BCDC,  
24 which BCDC has used to finance a portion of the costs associated with certain improvements at  
25 the Airport, specifically an aviation support hangar ("ASH Building"), subleased by BCDC to  
26 Elan Air, Inc. d/b/a Heritage Flight, through bonds of the Vermont Economic Development  
27 Authority, ("VEDA") to be purchased by Union Bank ("2010 Refunding Bonds"); and

28 WHEREAS, the July 12, 2010 Approval contemplated that VEDA and/or Union bank  
29 provide additional financing to BCDC with respect to certain prepayment costs or fees in  
30 connection with the 2010 Refunding Bonds ("Supplemental Financing"), in an amount not to  
31 exceed \$450,000.00; and

32  
33

1

2

3

4 **Page Two**

5 **Resolution Relating to**

6  
7 AMENDED APPROVAL OF REFINANCING  
8 CERTAIN TAX-EXEMPT AIRPORT FACILITY  
9 REVENUE BONDS BY BURLINGTON  
10 COMMUNITY DEVELOPMENT CORPORATION  
11 FOR REFUNDING AND FINANCING OF SOME  
12 COSTS OF CERTAIN AIRPORT FACILITIES

13  
14  
15 WHEREAS, due to a decrease in the amount of the VEDA bonds to be purchased by  
16 Union bank, the Supplemental Financing has been determined to cost not the \$450,000.00  
17 anticipated at the time of the July 12, 2010 Approval, but instead; may cost up to \$600,000.00;  
18 and

19 WHEREAS, in addition to the collateral enumerated in the July 12, 2010 Approval, the  
20 City, BCDC, VEDA and Union bank have determined that as part of the City's Limited guaranty  
21 with regard to VEDA's loan to BCDC, subject to the City's appropriations as a current expense  
22 and not a debt of the City, the City may grant a mortgage and/or assign its lease rights as to the  
23 15,400 square foot building and land the City presently leases to Aviatron, Inc., located adjacent  
24 to the premises of the Ash Building, at the Airport, to VEDA, ("Aviatron Mortgage/Lease  
25 Assignments"); and

26 WHEREAS, in order to avoid any scheduling and/or logistical impediments, the City  
27 Council deems it prudent to authorize both the Mayor and the Chief Administrative Officer  
28 individually (i.e.; either, in the alternative) to execute any documents necessary to facilitate the  
29 July 12, 2010 Approval, the 2010 Refunding Bonds and the Supplemental Financing,

30 NOW THEREFORE BE IT RESOLVED, that upon the September 13, 2010  
31 recommendation of the Board of Finance, the Supplemental Financing associated with the 2010  
32 Refunding Bonds in an amount not to exceed \$600,000.00 and the Aviatron Mortgage/Lease  
33 Assignments are hereby approved, and the Mayor and Chief Administrative Officer are hereby  
34 authorized to individually (i.e.; either, in the alternative) execute on behalf of the City, any and

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30

Page Three

**Resolution Relating to**

AMENDED APPROVAL OF REFINANCING  
CERTAIN TAX-EXEMPT AIRPORT FACILITY  
REVENUE BONDS BY BURLINGTON  
COMMUNITY DEVELOPMENT CORPORATION  
FOR REFUNDING AND FINANCING OF SOME  
COSTS OF CERTAIN AIRPORT FACILITIES

all documents necessary to facilitate the July 12, 2010 Approval, the 2010 Refunding Bonds and  
the Supplemental Financing, all subject to review and approval of the City Attorney, with all  
other provisions of the July 12, 2010 Approval remaining in effect as if set forth here in full.

NAME/PURPOSE OF CONTRACTS: Not Applicable  
ADMINISTRATING DEPARTMENT:  
CONTRACT AMOUNTS:  
CONTRACT TERM:  
SOURCE OF FUNDS:  
FISCAL YEAR:  
ACCOUNT NAME:  
ACCOUNT NUMBER:

231050-5