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ARTICLE 22

RELATING TO DEBT MANAGEMENT ACT JOINT RESOLUTION

SECTION 1. *Historic Preservation Tax Credit Fund*

WHEREAS, the General Assembly finds that the State of Rhode Island tax credits earned pursuant to Rhode Island General Laws sections 44-33.2-1 et seq. (the "Historic Tax Credits") have had and continue to have the desired effect of stimulating, promoting and encouraging the redevelopment and reuse of historic structures by modern commercial, residential and manufacturing enterprises in order to foster civic beauty, promote public education, pleasure and welfare and otherwise generally improve and enhance the long-term economic well-being of the citizens and municipalities of the State of Rhode Island; and

WHEREAS, the 2008 General Assembly authorized Rhode Island Economic Development Corporation (the "RIEDC") to issue not more than three hundred fifty-six million two hundred thousand dollars (\$356.2 million) of Revenue Bonds – Historic Structures Tax Credit Financing Taxable Series to assist in the future cost of the Historic Structures Tax Credit Program; and

WHEREAS, this than three hundred fifty-six million two hundred thousand dollars (\$356.2 million) authorization included two hundred ninety-nine million nine hundred thousand dollars (\$299.9 million) to be deposited into the project fund, and the balance was authorized for a debt service reserve fund and cost of issuance; and

WHEREAS, since 2008, 15 projects have abandoned more than twenty five million (\$25.0 million) in tax credits, a portion of which could be reallocated or reissued; and

WHEREAS, there is a potential for additional abandoned projects should projects fail to meet substantial construction requirements on or before May 15, 2013; and

WHEREAS, allowing the abandoned tax credits to be reissued would stimulate and encourage the redevelopment and reuse of historic structures by modern commercial, residential and manufacturing enterprises in order to foster civic beauty, promote public education, pleasure and welfare and otherwise generally improve and further enhance the long-term economic well-being of the citizens and municipalities of the State of Rhode Island; now, therefore, be it

RESOLVED, that the RIEDC is authorized to continue with the financing as detailed in the 2008 Joint Resolution and the General Assembly hereby reaffirms the RIEDC's issuance of

1 not more than \$356.2 million in Bonds; and be it further

2 RESOLVED, that the original amount of bonds authorized to be issued for deposit in the
3 project fund of \$299.9 million shall be the maximum amount that can be issued to pay processing
4 fee reimbursements on abandoned projects and to reimburse the State of Rhode Island for tax
5 credits issued on original or replacement projects, recognizing that savings from currently
6 abandoned projects have primarily offset the lower interest earnings on bond proceeds and the
7 processing fees originally anticipated in 2008; and be it further

8 RESOLVED, that the RIEDC is authorized to use the Bond proceeds to pay processing
9 fee reimbursements on abandoned projects and to reimburse the State of Rhode Island for
10 Historic Tax Credits approved in accordance with Rhode Island General Laws chapter 44-33.2 as
11 well as any replacement project approved on or after July 1, 2012; and be it further

12 RESOLVED, that the RIEDC shall continue to request the Governor to include in each of
13 the fiscal years following the issuance of the Bonds by the RIEDC an amount equal to the debt
14 service of the Bonds pursuant to the terms set forth in this Resolution; and be it further

15 RESOLVED, that neither the Bonds nor the Payment Agreement shall constitute
16 indebtedness of the State or any of its subdivisions or a debt for which the full faith and credit of
17 the State or any of its subdivisions is pledged, except to the extent that the State appropriates
18 funds for the Bonds or the Payment Agreement subject to annual budget appropriations.

19 SECTION 2. This article shall take effect upon passage.