RESOLUTION NO. 66 - 2017

Moved by: [signature]

A Resolution authorizing the City of Harrisburg to accept a financing proposal from Santander Bank, N.A. for the purpose of financing the lease purchase of two (2) 2017 Ford Escape SE 4WD vehicles for use by the City Codes Department.

WHEREAS, the City of Harrisburg (the "City") is in need of two (2) additional vehicles for use by the Codes Department in order to provide code enforcement officers with the ability to properly carry out their job functions; and

WHEREAS, the City of Harrisburg (the "City") solicited COSTARS-priced quotes for the lease or purchase of two (2) vehicles with certain specifications; and

WHEREAS, Whitmoyer Auto Group furnished a proposal for various vehicles and financing options to the City pursuant to the COSTARS-026-053 Purchasing Agreement; and

WHEREAS, a copy of a proposal submitted by Whitmoyer Auto Group is attached as "Exhibit A;" and

WHEREAS, after review all of the proposals, the City decided to pursue a municipal financing leasing option for two (2) Ford Escape SE 4WD vehicles, each at a price of $23,225.00; and

WHEREAS, the City intends to accept a financing proposal from Santander Bank, N.A. for the purpose of financing the two (2) vehicles, each through a five (5) year commitment of an annual payment of $4,915.00; and

WHEREAS, a copy of the financing documents with Santander Bank, N.A. are attached as "Exhibit B."

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED BY THE COUNCIL OF THE CITY OF HARRISBURG, that the City of Harrisburg is authorized to accept a financing proposal from Santander Bank, N.A. for the purpose of financing the lease purchase of two (2) 2017 Ford Escape SE 4WD vehicles for use by the City Codes Department.

BE IT FURTHER RESOLVED, that the City's Director of Budget and Finance and Law Bureau are authorized to negotiate the final terms of a municipal lease purchase agreement in accordance with the terms of the financing proposal, provided that the maximum amount funded does not exceed $46,450.00, the term does not extend beyond five (5) years, and the tax-exempt interest rate payable by the City does not exceed 2.9% per year.

BE IT FURTHER RESOLVED that the Mayor, City Controller and other appropriate City officials are authorized and directed to take all steps necessary to further effectuate the purpose of this Resolution.

Seconded by: Wanda R. D. Williams

Passed by City Council July 6, 2017

Wanda R. D. Williams

President of City Council

Attest ____________

City Clerk

☒ **Approved**

☐ **Returned to City Council with objections**

YEAS		NAYS
✓	MR. ALLATT	
	MR. BALTIMORE	Excused
✓	MS. DANIELS	
✓	MS. HODGES	
✓	MR. JOHNSON	
✓	MR. MAJORS	
✓	MS. WILLIAMS	

Yeas 6
Nays 0

Exhibit A

Whitmoyer Ford, Inc.
1001 East Main Street, Mount Joy, Pennsylvania,
17552-9333
Office: 717-653-7080 Fax: 717-653-7090

Customer Proposal

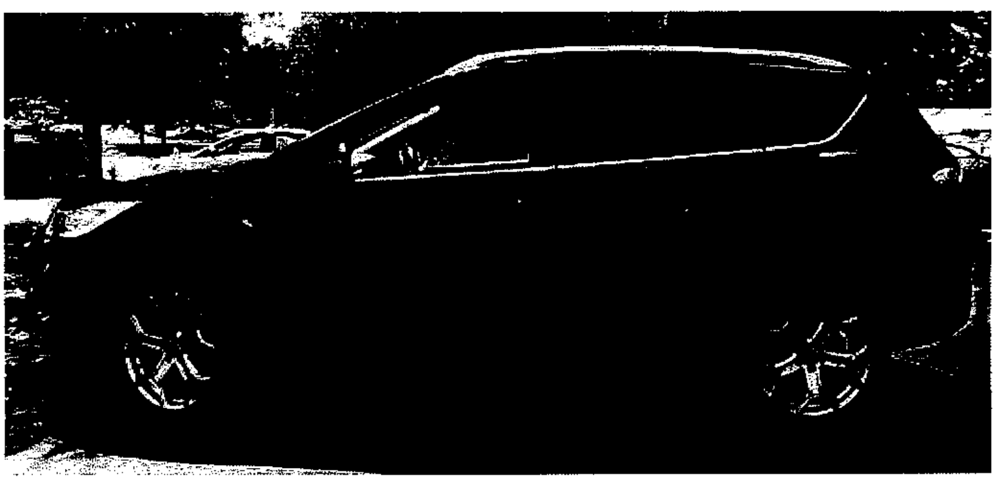
Prepared for:

Hillary Greene
CITY OF HARRISBURG
10 North Second Street, Suite 302A
Harrisburg, PA 17101
Office: 717-255-6472

Prepared by:

Rick McCord
Office: 717-653-7080
Email: fleet@whitmoyerautogroup.com

Date: 05/25/2017
Vehicle: 2017 Escape SE
4dr 4x4
Quote ID: 052517-1



WHITMOYER
The Friendliest Dealership In Lancaster County.

Whitmoyer Ford, Inc.
1001 East Main Street, Mount Joy, Pennsylvania, 17552-9333
Office: 717-653-7080

Hillary Greene
CITY OF HARRISBURG
10 North Second Street, Suite 302A
Harrisburg, PA 17101
Office: 717-255-6472

Re: Vehicle Proposal

Dear Hillary,

Following is our proposal to furnish and deliver one (1) "new and unused" 2017 Ford Truck Escape 4dr 4x4 SE Utility Vehicle. Please review and contact our office if you have any questions.

Your total cost to order, as per the COSTARS-026-053 Purchasing Agreement, is as follows:

Factory Order - 2017 Ford Escape SE 4WD - $22,350.00 - (12-14 week delivery)
Out of Stock - 2017 Ford Escape SE 4WD - $23,225.00 - (7-10 day delivery)

Price shown does reflect all new vehicle prep, initial PA state inspection, title and municipal registration. Vehicle will be filled with fuel, washed and delivered to your location.

Thank you for your time, and the opportunity to earn your business.

Sincerely,

Rick McCord

Rick McCord
Fleet Sales Manager
717-653-7080
fleet@whitmoyerautogroup.com

Selected Equipment & Specs

Dimensions

Exterior length: 178.1" * Exterior width: 72.4" * Exterior height: 66.3" * Wheelbase: 105.9" * Front track: 61.5" * Rear track: 61.6" * Turning radius: 19.4' * Min ground clearance: 7.9" * Front legroom: 43.1" * Rear legroom: 36.8" * Front headroom: 39.9" * Rear headroom: 39.0" * Front hiproom: 54.8" * Rear hiproom: 52.4" * Front shoulder room: 56.0" * Rear shoulder room: 55.3" * Passenger volume: 98.1cu.ft. * Approach angle: 21.9 deg * Departure angle: 27.6 deg * Cargo volume: 34.3cu.ft. * Cargo volume seats folded: 67.8cu.ft. * Maximum cargo volume: 67.8cu.ft.

Powertrain

EcoBoost 179hp 1.5L DOHC 16 valve intercooled turbo I-4 engine with variable valve control, gasoline direct injection * Auto stop-start feature * Recommended fuel : regular unleaded * ULEV II * 6 speed automatic transmission with overdrive * Automatic full-time * Limited slip differential * Fuel Economy City: 22 mpg * Fuel Economy Highway: 28 mpg * Capless fuel filler

Suspension/Handling

Front independent strut suspension with anti-roll bar, gas-pressurized shocks * Rear independent short and long arm suspension with anti-roll bar, gas-pressurized shocks * Speed-sensing electric power-assist rack-pinion Steering * Front and rear 17 x 7.5 silver aluminum wheels * P235/55HR17 BSW AS front and rear tires

Body Exterior

4 doors * Driver and passenger power remote heated folding door mirrors * Body-coloured door mirrors * Lip rear spoiler * Body-coloured bumpers * Clearcoat paint * Front and rear 17 x 7.5 wheels

Convenience

Dual zone front automatic air conditioning with air filter * Supplemental heater * Cruise control with steering wheel controls * Power windows * Driver 1-touch up * Driver 1-touch down * Remote power door locks with 2 stage unlock and illuminated entry * Extra FOB controls trunk/hatch/door/tailgate * Manual tilt steering wheel * Manual telescopic steering wheel * Day-night rearview mirror * SYNC Services internet access * 911 Assist emergency S.O.S * Wireless phone connectivity * AppLink smart device integration * 1 1st row LCD monitor * Front and rear cupholders * Dual illuminated visor mirrors * Full floor console * Driver and passenger door bins * Rear door bins

Seats and Trim

Seating capacity of 5 * Front bucket seats * 8-way power driver seat adjustment * Power 2-way driver lumbar support * Power height adjustable driver seat * 4-way passenger seat adjustment * Centre front armrest * Heated front seats * 60-40 folding rear split-bench seat * Cloth seat upholstery * Metal-look instrument panel insert * Metal-look console insert * Metal-look gear shift knob

Entertainment Features

SiriusXM AM/FM/Satellite radio with radio data system * Single CD player * MP3 decoder * SYNC external memory control * Steering wheel mounted radio controls * 6 speakers * Wireless streaming * Integrated roof antenna

Lighting, Visibility and Instrumentation

Halogen aero-composite headlights * Delay-off headlights * Fully automatic headlights * Front fog lights * LED brakelights * Variable intermittent front windshield wipers * Fixed interval rear windshield wiper * Rear window defroster * Fixed rearmost windows * Deep tinted windows * Front reading lights * Tachometer * Compass * Outside temperature display * Camera(s) - rear * Low tire pressure warning * Trip computer * Trip odometer

Safety and Security

4-wheel ABS brakes * Brake assist with hill hold control * Electric parking brake * 4-wheel disc brakes * AdvanceTrac w/Roll Stability Control electronic stability * ABS and driveline traction control * Dual front impact airbag supplemental restraint system * Dual seat mounted side impact airbag supplemental restraint system * Safety Canopy System curtain 1st and 2nd row overhead airbag supplemental restraint system * Knee airbag supplemental restraint system * Airbag supplemental restraint system occupancy sensor * Power remote door locks with 2 stage unlock and panic alarm * SecuriLock immobilizer * MyKey restricted driving mode * Manually adjustable front head restraints with tilt * 3 manually adjustable rear head restraints

Dimensions

Selected Options

Code	Description	MSRP
Base Vehicle		
U9G	Base Vehicle Price (U9G)	$27,000.00
Packages		
200A	Equipment Group 200A *Includes: - Engine: 1.5L EcoBoost Includes auto start-stop technology. - Transmission: 6-Speed Automatic w/SelectShift - 3.51 Axle Ratio - GVWR: 4,760 lbs - Tires: P235/55R17 A/S BSW Low-Rolling- Resistance. Includes mini spare tire. - Wheels: 17" Sparkle Silver Painted Aluminum - Unique Cloth Buckets w/60/40 Split Rear Seat Includes 10-way power driver's seat with power lumbar adjust and 4-way manual passenger seat. - Radio: AM/FM Single CD/MP3 Includes 6 speakers, speed compensated volume and SiriusXM radio with a 6 month prepaid subscription. Service is not available in Alaska and Hawaii. Note: SiriusXM audio and data services each require a subscription sold separately, or as a package, by Sirius XM Radio Inc. If you decide to continue service after your trial, the subscription plan you choose will automatically renew thereafter and you will be charged according to your chosen payment method at then-current rates. Fees and taxes apply. To cancel you must call SiriusXM at 1-866-635-2349. See SiriusXM Customer Agreement for complete terms at www.siriusxm.com. All fees and programming subject to change. Sirius, XM and all related marks and logos are trademarks of Sirius XM Radio Inc. - SYNC Communications & Entertainment System Includes enhanced voice recognition communication , 911 Assist, 4.2" LCD screen in center stack, AppLink and smart charging USB port.*	N/C
Powertrain		
99D	Engine: 1.5L EcoBoost *Includes auto start-stop technology.*	Included
446	Transmission: 6-Speed Automatic w/SelectShift	Included
STDAX	3.51 Axle Ratio	Included
STDGV	GVWR: 4,760 lbs	Included
Wheels & Tires		
TJL	Tires: P235/55R17 A/S BSW *Low-Rolling- Resistance. Includes mini spare tire.*	Included
64N	Wheels: 17" Sparkle Silver Painted Aluminum	Included
Seats & Seat Trim		
K	Unique Cloth Buckets w/60/40 Split Rear Seat *Includes 10-way power driver's seat with power lumbar adjust and 4-way manual passenger seat.*	Included
Other Options		

Selected Options (cont'd)

Code	Description	MSRP
PAINT	Monotone Paint Application	STD
106WB	106" Wheelbase	STD
STDRD	Radio: AM/FM Single CD/MP3	Included
	Includes 6 speakers, speed compensated volume and SiriusXM radio with a 6 month prepaid subscription. Service is not available in Alaska and Hawaii. Note: SiriusXM audio and data services each require a subscription sold separately, or as a package, by Sirius XM Radio Inc. If you decide to continue service after your trial, the subscription plan you choose will automatically renew thereafter and you will be charged according to your chosen payment method at then-current rates. Fees and taxes apply. To cancel you must call SiriusXM at 1-866-635-2349. See SiriusXM Customer Agreement for complete terms at www.siriusxm.com. All fees and programming subject to change. Sirius, XM and all related marks and logos are trademarks of Sirius XM Radio Inc. *Includes:* *- SYNC Communications & Entertainment System* *Includes enhanced voice recognition communication , 911 Assist, 4.2" LCD screen in center stack, AppLink and smart charging USB port.*	
66W	SE Cold Weather Package	$490.00
	Includes: *- All-Weather Floor Mats (Front & Rear)* *- Heated Front Seats* *- Power Heated Sideview Mirrors* *Includes integrated blind spot mirror.* *- 110V/150W AC Power Outlet* *- Supplemental PTC Heater* *- Windshield Wiper De-Icer*	
50C	All-Weather Floor Mats (Front & Rear)	Included
153	Front License Plate Bracket	N/C
Emissions		
425	50-State Emissions System	STD
Interior Colors		
KB_03	Charcoal Black	N/C
Primary Colors		
N6_02	Lightning Blue Metallic	N/C
General Info		
FINAL2	Fleet Final Order Date: 06/02/2017	N/C

SUBTOTAL	$27,490.00
Destination Charge	$895.00
TOTAL	$28,385.00

Whitmoyer Ford, Inc.
1001 East Main Street, Mount Joy, Pennsylvania, 175529333
Office: 717-653-7080

2017 Escape, Sport Utility
4dr 4x4 SE(U9G)
Price Level: 750 Quote ID: 052517-1

Pricing - Single Vehicle

	MSRP
Vehicle Pricing	
Base Vehicle Price	$27,000.00
Options & Colors	$490.00
Upfitting	$0.00
Destination Charge	$895.00
Subtotal	$28,385.00

Pre-Tax Adjustments

Code	Description	
COSTARS-26	Discount as per COSTARS-026-053	-$6,035.00

Total	$22,350.00

Customer Signature

Acceptance Date

Prices and content availability as shown are subject to change and should be treated as estimates only. Actual base vehicle, package and option pricing may vary from this estimate because of special local pricing, availability or pricing adjustments not reflected in the dealer's computer system. See salesperson for the most current information.

Prepared for: Hillary Greene, CITY OF HARRISBURG
By: Rick McCord Date: 05/25/2017

Exhibit B

Santander

Municipal Lease Program

Customer's Full LEGAL Name	City of Harrisburg, PA Bureau of Finance
Addresses (Street and Mailing)	10 North Second Street, Suite 302A
City, State, Zip Code	Harrisburg, PA 17101
Distributor	Whitmoyer Auto Group
Name of Administrator/Business Officer/Title	Mayor, Eric Papenfuse Controller, Charlie DeBrunner
Telephone/Fax	717-255-6472 Fax #-________________
Number of units to be sold & type	2 - 2017 Ford Escapes SE 4WD

Initial Payment: $9,830.00 PMT Annual Delivery Date: 6/25/2017 estimated

Year Town was formed: 1860

Federal /Employee ID Number: 23-6002010

Provide Basic Justification for Request:____ The Bureau of Codes is requesting vehicles for new Codes Officers

Borrowing Reference:______________________________ Bank Relationship Reference:_Kevin Kenney

Complete(Hillary Greene Title: _Procurement Services and Compliance Officer__

Computations from Amortization Schedule: Quote Expires if not accepted within 30 days. Quote Date:

Acceptance by Santander Bank is subject to Credit review and approval by Santander Bank at it's sole discretion.

Compound Period: *Annual* Please send current two years audited financial statements to the below address.

If you have any questions, Please feel free to call, or email:

Kkenney@Santander.us
Kevin Kenney, VP, Santander Bank
3 Huntington Quad, Suite 101N, Melville, NY 11747
(Office) 631-531-6614

Santander Lease Agreement Terms Sheet

Lessor: Santander Bank, N.A.
3 Huntington Quadrangle
Suite 101N
Melville, NY 11747-4616

Lessee: City of Harrisburg, PA
10 North Second Street, Suite 302A
Harrisburg, PA 17101

Group of

Equipment Description / Quantity 2 — 2 2017 Ford Escapes SE 4WD

Schedule of Terms	Payment Date	Per Quantity Payment amount	Per Quantity Implied Interest	Total for Group Payment Amount	Total for Group Implied Interest	Combined Min. Insurance For Equip. After Payments
Initial payment	6/25/2017	4,915.00	0.00	9,830.00	0.00	37,681.98
Second Payment	6/25/2018	4,915.00	530.99	9,830.00	1,061.98	28,659.68
Third Payment	6/25/2019	4,915.00	403.85	9,830.00	807.70	19,375.74
Fourth Payment	6/25/2020	4,915.00	273.03	9,830.00	546.06	9,830.00
Fifth Payment	6/25/2021	4,915.00	142.13	9,830.00	284.26	2,700.00

Signed by: ______________________________

Lessor:	**Santander Bank, N.A.** **3 Huntington Quadrangle** **Suite 101N** **Melville, NY 11747-4616**	**Lessee:**	**City of Harrisburg, PA** **10 North Second Street, Suite 302A** **Harrisburg, PA 17101**

Amortization per unit or per group. **2 2 2017 Ford Escapes SE 4WD**

Nominal Annual Rate: **2.900%**

CASH FLOW DATA

Event	Date	Amount	Number	Period	Totals
1 Loan	6/25/2017	23,225.00	1		$46,450.00
2 Payment	6/25/2017	4,915.00	5	Annual	$9,830.00
					$0.00

AMORTIZATION SCHEDULE - Normal Amortization

	Date	Payment	Interest	Principal	Balance	
Loan	6/25/2017				23,225.00	
1	6/25/2017	4,915.00	0.00	4,915.00	18,310.00	$9,830.00
2	6/25/2018	4,915.00	530.99	4,384.01	13,925.99	$9,830.00
3	6/25/2019	4,915.00	403.85	4,511.15	9,414.84	$9,830.00
4	6/25/2020	4,915.00	273.03	4,641.97	4,772.87	$9,830.00
5	6/25/2021	4,915.00	142.13	4,772.87	0.00	$9,830.00
Grand Totals		24,575.00	1,350.00	23,225.00		

INSURANCE COMPANY AND COVERAGE INFORMATION SHEET

Please insert VIN(s)# and send to your Insurance Agent Immediately!!!!

Agency should fax completed Certificate of Insurance to - 888-853-0484

TO: Santander Bank, N.A.
3 Huntington Quadrangle
Suite 101N
Melville, NY 11747-4616

From: City of Harrisburg, PA
10 North Second Street, Suite 302A
Harrisburg, PA 17101

INSURANCE: COMPANY AND COVERAGE

Company ______________________________

Address ______________________________

City/ST/Zip ______________________________

Agent ______________________________

Phone Number ______________ Fax Number ______________

In Agreement with the Types and Amounts listed in the Insurance Section of Santanders Lease Agreement, paragraph 8,the Insurance Company / Agent listed above, has been asked to issue a Certificate of Insurance naming Santander Bank as Loss Payee and additional insured, with full correct VIN # listed on COI.

VIN # ______________________________

____

Type	Amount
Public Liability and Property Damage(Comprehensive)	$1,000,000.00 Combined Single Limit (per occurrence)
Collision, Fire and Theft (All Risk) Combined Minimum for Collision, Fire and Theft(Risk)	Not less than replacement Value $ 23,225.00

Lessee: Group of

Responsible Official: ______________________________

Title: ______________________________

Form **8038-GC**

(Rev. January 2012)

Department of the Treasury
Internal Revenue Service

Information Return for Small Tax-Exempt Governmental Bond Issues, Leases, and Installment Sales

▶ **Under Internal Revenue Code section 149(e)**

Caution: *If the issue price of the issue is $100,000 or more, use Form 8038-G.*

OMB No. 1545-0720

Check box if **Amended Return** ▶ ☐

Part I Reporting Authority

1 Issuer's name City of Harrisburg, PA	2 Issuer's employer identification number (EIN)
3 Number and street (or P.O. box if mail is not delivered to street address) 10 North Second Street, Suite 302A	Room/suite
4 City, town, or post office, state, and ZIP code Harrisburg, PA 17101	5 Report number *(For IRS Use Only)* [redacted]
6 Name and title of officer or other employee of issuer or designated contact person whom the IRS may call for more information	7 Telephone number of officer or legal representative

Part II Description of Obligations

Check one: a single issue ☐ **or** a consolidated return ☐.

8a	Issue price of obligation(s) (see instructions)	8a	36,620	00
b	Issue date (single issue) **or** calendar date (consolidated). Enter date in mm/dd/yyyy format (for example, 01/01/2009) (see instructions) ▶ 06/25/17			
9	Amount of the reported obligation(s) on line 8a that is:			
a	For leases for vehicles	9a	36,620	00
b	For leases for office equipment	9b		
c	For leases for real property	9c		
d	For leases for other (see instructions)	9d		
e	For bank loans for vehicles	9e		
f	For bank loans for office equipment	9f		
g	For bank loans for real property	9g		
h	For bank loans for other (see instructions)	9h		
i	Used to refund prior issue(s)	9i		
j	Representing a loan from the proceeds of another tax-exempt obligation (for example, bond bank)	9j		
k	Other	9k		

10 If the issuer has designated any issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check this box ▶ ☐

11 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check this box (see instructions) ▶ ☐

12 Vendor's or bank's name: Santander Bank, N.A.

13 Vendor's or bank's employer identification number: 2 3 1 2 3 7 2 9 5

Signature and Consent

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person(s) that I have authorized above.

▶ Signature of issuer's authorized representative Date ▶ Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

What's New

The IRS has created a page on IRS.gov for information about the Form 8038 series and its instructions, at *www.irs.gov/form8038*. Information about any future developments affecting the Form 8038 series (such as legislation enacted after we release it) will be posted on that page.

Purpose of Form

Form 8038-GC is used by the issuers of tax-exempt governmental obligations to provide the IRS with the information required by section 149(e) and to monitor the requirements of sections 141 through 150.

Who Must File

Issuers of tax-exempt governmental obligations with issue prices of less than $100,000 must file Form 8038-GC.

Issuers of a tax-exempt governmental obligation with an issue price of $100,000 or more must file Form 8038-G, Information Return for Tax-Exempt Governmental Obligations.

Filing a separate return for a single issue. Issuers have the option to file a separate Form 8038-GC for any tax-exempt governmental obligation with an issue price of less than $100,000.

An issuer of a tax-exempt bond used to finance construction expenditures must file a separate Form 8038-GC for each issue to give notice to the IRS that an election was made to pay a penalty in lieu of arbitrage rebate (see the line 11 instructions).

Filing a consolidated return for multiple issues. For all tax-exempt governmental obligations with issue prices of less than $100,000 that are not reported on a separate Form 8038-GC, an issuer must file a consolidated information return including all such issues issued within the calendar year.

Thus, an issuer may file a separate Form 8038-GC for each of a number of small issues and report the remainder of small issues issued during the calendar year on one consolidated Form 8038-GC. However, if the issue is a construction issue, a separate Form 8038-GC must be filed to give the IRS notice of the election to pay a penalty in lieu of arbitrage rebate.

When To File

To file a separate return for a single issue, file Form 8038-GC on or before the 15th day of the second calendar month after the close of the calendar quarter in which the issue is issued.

To file a consolidated return for multiple issues, file Form 8038-GC on or before February 15th of the calendar year following the year in which the issue is issued.

Late filing. An issuer may be granted an extension of time to file Form 8038-GC under section 3 of Rev. Proc. 2002-48, 2002-37 I.R.B. 531, if it is determined that the failure to file on time is not due to willful neglect. Type or print at the top of the form, "Request for Relief under section 3 of Rev. Proc. 2002-48." Attach to the Form 8038-GC a letter briefly stating why the form was not submitted to the IRS on time. Also indicate whether the obligation in question is under examination by the IRS. Do not submit copies of any bond documents, leases, or installment sale documents. See *Where To File* next.

Where To File

File Form 8038-GC, and any attachments, with the Department of the Treasury, Internal Revenue Service Center, Ogden, UT 84201.

Private delivery services. You can use certain private delivery services designated by the IRS to meet the "timely mailing as timely filing/paying" rule for tax returns and payments. These private delivery services include only the following:

- DHL Express (DHL): DHL Same Day Service.
- Federal Express (FedEx): FedEx Priority Overnight, FedEx Standard Overnight, FedEx 2Day, FedEx International Priority, and FedEx International First.
- United Parcel Service (UPS): UPS Next Day Air, UPS Next Day Air Saver, UPS 2nd Day Air, UPS 2nd Day Air A.M., UPS Worldwide Express Plus, and UPS Worldwide Express.

The private delivery service can tell you how to get written proof of the mailing date.

Other Forms That May Be Required

For rebating arbitrage (or paying a penalty in lieu of arbitrage rebate) to the Federal Government, use Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate. For private activity bonds, use Form 8038, Information Return for Tax-Exempt Private Activity Bond Issues.

For a tax-exempt governmental obligation with an issue price of $100,000 or more, use Form 8038-G.

Rounding to Whole Dollars

You may show the money items on this return as whole-dollar amounts. To do so, drop any amount less than 50 cents and increase any amount from 50 to 99 cents to the next higher dollar.

Definitions

Obligations. This refers to a single tax-exempt governmental obligation if Form 8038-GC is used for separate reporting or to multiple tax-exempt governmental obligations if the form is used for consolidated reporting.

Tax-exempt obligation. This is any obligation including a bond, installment purchase agreement, or financial lease, on which the interest is excluded from income under section 103.

Tax-exempt governmental obligation. A tax-exempt obligation that is not a private activity bond (see below) is a tax-exempt governmental obligation. This includes a bond issued by a qualified volunteer fire department under section 150(e).

Private activity bond. This includes an obligation issued as part of an issue in which:

- More than 10% of the proceeds are to be used for any private activity business use, and
- More than 10% of the payment of principal or interest of the issue is either (a) secured by an interest in property to be used for a private business use (or payments for such property) or (b) to be derived from payments for property (or borrowed money) used for a private business use.

It also includes a bond, the proceeds of which (a) are to be used to make or finance loans (other than loans described in section 141(c)(2)) to persons other than governmental units and (b) exceeds the lesser of 5% of the proceeds or $5 million.

Issue. Generally, obligations are treated as part of the same issue only if they are issued by the same issuer, on the same date, and as part of a single transaction, or a series of related transactions. However, obligations issued during the same calendar year (a) under a loan agreement under which amounts are to be advanced periodically (a "draw-down loan") or (b) with a term not exceeding 270 days, may be treated as part of the same issue if the obligations are equally and ratably secured under a single indenture or loan agreement and are issued under a common financing arrangement (for example, under the same official statement periodically updated to reflect changing factual circumstances). Also, for obligations issued under a draw-down loan that meets the requirements of the preceding sentence, obligations issued during different calendar years may be treated as part of the same issue if all of the amounts to be advanced under the draw-down loan are reasonably expected to be advanced within 3 years of the date of issue of the first obligation. Likewise, obligations (other than private activity bonds) issued under a single agreement that is in the form of a lease or installment sale may be treated as part of the same issue if all of the property covered by that agreement is reasonably expected to be delivered within 3 years of the date of issue of the first obligation.

Arbitrage rebate. Generally, interest on a state or local bond is not tax-exempt unless the issuer of the bond rebates to the United States arbitrage profits earned from investing proceeds of the bond in higher yielding nonpurpose investments. See section 148(f).

Construction issue. This is an issue of tax-exempt bonds that meets both of the following conditions:

1. At least 75% of the available construction proceeds of the issue are to be used for construction expenditures with respect to property to be owned by a governmental unit or a 501(c)(3) organization, and

2. All of the bonds that are part of the issue are qualified 501(c)(3) bonds, bonds that are not private activity bonds, or private activity bonds issued to finance property to be owned by a governmental unit or a 501(c)(3) organization.

In lieu of rebating any arbitrage that may be owed to the United States, the issuer of a construction issue may make an irrevocable election to pay a penalty. The penalty is equal to 1-1/2% of the amount of construction proceeds that do not meet certain spending requirements. See section 148(f)(4)(C) and the Instructions for Form 8038-T.

Specific Instructions

In general, a Form 8038-GC must be completed on the basis of available information and reasonable expectations as of the date of issue. However, forms that are filed on a consolidated basis may be completed on the basis of information readily available to the issuer at the close of the calendar year to which the form relates, supplemented by estimates made in good faith.

Part I—Reporting Authority

Amended return. An issuer may file an amended return to change or add to the information reported on a previously filed return for the same date of issue. If you are filing to correct errors or change a previously filed return, check the "*Amended Return*" box in the heading of the form.

The amended return must provide all the information reported on the original return, in addition to the new corrected information. Attach an explanation of the reason for the amended return and write across the top "Amended Return Explanation."

Line 1. The issuer's name is the name of the entity issuing the obligations, not the name of the entity receiving the benefit of the financing. In the case of a lease or installment sale, the issuer is the lessee or purchaser.

Line 2. An issuer that does not have an employer identification number (EIN) should apply for one on Form SS-4, Application for Employer Identification Number. You can get this form on the IRS website at IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676). You may receive an EIN by telephone by following the instructions for Form SS-4.

Lines 3 and 4. Enter the issuer's address or the address of the designated contact person listed on line 6. If the issuer wishes to use its own address and the issuer receives its mail in care of a third party authorized representative (such as an accountant or attorney), enter on the street address line "C/O" followed by the third party's name and street address or P.O. box. Include the suite, room, or other unit number after the street address. If the post office does not deliver mail to the street address and the issuer has a P.O. box, show the box number instead of the street address. If a change in address occurs after the return is filed, use Form 8822, Change of Address, to notify the IRS of the new address.

Note. The address entered on lines 3 and 4 is the address the IRS will use for all written communications regarding the processing of this return, including any notices. By authorizing a person other than an authorized officer or other employee of the issuer to communicate with the IRS and whom the IRS may contact about this return, the issuer authorizes the IRS to communicate directly with the individual listed on line 6, whose address is entered on lines 3 and 4 and consents to disclose the issuer's return information to that individual, as necessary, to process this return.

Line 5. This line is for IRS use only. Do not make any entries in this box.

Part II—Description of Obligations

Check the appropriate box designating this as a return on a single issue basis or a consolidated return basis.

Line 8a. The issue price of obligations is generally determined under Regulations section 1.148-1(b). Thus, when issued for cash, the issue price is the price at which a substantial amount of the obligations are sold to the public. To determine the issue price of an obligation issued for property, see sections 1273 and 1274 and the related regulations.

Line 8b. For a single issue, enter the date of issue (for example, 03/15/2010 for a single issue issued on March 15, 2010), generally the date on which the issuer physically exchanges the bonds that are part of the issue for the underwriter's (or other purchaser's) funds; for a lease or installment sale, enter the date interest starts to accrue. For issues reported on a consolidated basis, enter the first day of the calendar year during which the obligations were issued (for example, for calendar year 2010, enter 01/01/2010).

Lines 9a through 9h. Complete this section if property other than cash is exchanged for the obligation, for example, acquiring a police car, a fire truck, or telephone equipment through a series of monthly payments. (This type of obligation is sometimes referred to as a "municipal lease.") Also complete this section if real property is directly acquired in exchange for an obligation to make periodic payments of interest and principal.

Do not complete lines 9a through 9d if the proceeds of an obligation are received in the form of cash even if the term "lease" is used in the title of the issue. For lines 9a through 9d, enter the amount on the appropriate line that represents a lease or installment purchase. For line 9d, enter the type of item that is leased. For lines 9e through 9h, enter the amount on the appropriate line that represents a bank loan. For line 9h, enter the type of bank loan.

Lines 9i and 9j. For line 9i, enter the amount of the proceeds that will be used to pay principal, interest, or call premium on any other issue of bonds, including proceeds that will be used to fund an escrow account for this purpose. Several lines may apply to a particular obligation. For example, report on lines 9i and 9j obligations used to refund prior issues which represent loans from the proceeds of another tax-exempt obligation.

Line 9k. Enter on line 9k the amount on line 8a that does not represent an obligation described on lines 9a through 9j.

Line 10. Check this box if the issuer has designated any issue as a "small issuer exception" under section 265(b)(3)(B)(i)(III).

Line 11. Check this box if the issue is a construction issue and an irrevocable election to pay a penalty in lieu of arbitrage rebate has been made on or before the date the bonds were issued. The penalty is payable with a Form 8038-T for each 6-month period after the date the bonds are issued. Do not make any payment of penalty in lieu of rebate with Form 8038-GC. See Rev. Proc. 92-22, 1992-1 C.B. 736, for rules regarding the "election document."

Line 12. Enter the name of the vendor or bank who is a party to the installment purchase agreement, loan, or financial lease. If there are multiple vendors or banks, the issuer should attach a schedule.

Line 13. Enter the employer identification number of the vendor or bank who is a party to the installment purchase agreement, loan, or financial lease. If there are multiple vendors or banks, the issuer should attach a schedule.

Signature and Consent

An authorized representative of the issuer must sign Form 8038-GC and any applicable certification. Also print the name and title of the person signing Form 8038-GC. The authorized representative of the issuer signing this form must have the authority to consent to the disclosure of the issuer's return information, as necessary to process this return, to the person(s) that has been designated in this form.

Note. If the issuer authorizes in line 6 the IRS to communicate with a person other than an officer or other employee of the issuer, (such authorization shall include contact both in writing regardless of the address entered in lines 3 and 4, and by telephone) by signing this form, the issuer's authorized representative consents to the disclosure of the issuer's return information, as necessary to process this return, to such person.

Paid Preparer

If an authorized representative of the issuer filled in its return, the paid preparer's space should remain blank. Anyone who prepares the return but does not charge the organization should not sign the return. Certain others who prepare the return should not sign. For example, a regular, full-time employee of the issuer, such as a clerk, secretary, etc., should not sign.

Generally, anyone who is paid to prepare a return must sign it and fill in the other blanks in the *Paid Preparer Use Only* area of the return. A paid preparer cannot use a social security number in the *Paid Preparer Use Only* **box**. The paid preparer must use a preparer tax identification number (PTIN). If the paid preparer is self-employed, the preparer should enter his or her address in the box.

The paid preparer must:

- Sign the return in the space provided for the preparer's signature, and
- Give a copy of the return to the issuer.

Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

Learning about the law or the form	4 hr., 46 min.
Preparing the form	2 hr., 22 min.
Copying, assembling, and sending the form to the IRS .	2 hr., 34 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:M:S, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Do not send the form to this address. Instead, see *Where To File*.

INTER

OFFICE

MEMO

To: HARRISBURG CITY COUNCIL

From: Kirk Petroski, City Clerk
LEGISLATIVE APPROVAL FORM

Date:

LEGISLATIVE APPROVAL FORM/CERTIFICATE OF ACCEPTANCE

BILL NO. -2017 **RESOLUTION NO. 66 -2017**

THE ABOVE LISTED ITEM WAS WRITTEN AND PREPARED FOR FINAL INTRODUCTION AT THE HARRISBURG CITY SOLICITOR'S OFFICE ON:

Rebecca K. Kimbel
Assistant City Solicitor

6-23-17
Date

Requested by Department/Bureau: Codes (Public Safety) / Finance

Department/Bureau Contact Person: Dave Patton / Hillary Greene

For Action on or before:

The attached was received in the Office of the City Clerk for introduction on

Received by: KP

Date: 6-27-17