

Exhibit "B"

CITY OF HARRISBURG
October 11 , 2011

**A RESOLUTION OF THE CITY COUNCIL OF CITY OF
HARRISBURG, PA AUTHORIZING FILING OF A PETITION UNDER
CHAPTER 9 OF THE UNITED STATES BANKRUPTCY CODE**

BE IT RESOLVED, by the City Council of the City of Harrisburg as follows:

WHEREAS , the City of Harrisburg has previously submitted an application to the Commonwealth of Pennsylvania to be designated as “distressed” for purposes of Pennsylvania’s “Financially Distressed Municipalities Act”, Act of 1987, P.L. 246, No 47, commonly known as and referred to hereinafter as “ Act 47”; and

WHEREAS , the Pennsylvania Department of Community and Economic Development issued a determination that Harrisburg was financially distressed for purposes of Act 47 on December 15, 2010; and

WHEREAS, the “Governing Body” of the City of Harrisburg for purposes of Act 47 is this City Council; and

WHEREAS, this City Council has rejected an Act 47 Plan provided by the Act 47 Coordinator, a plan which neither meets the requirements of the Act, nor poses a practical financial solution to Harrisburg’s situation; and

WHEREAS, the City has previously defaulted on obligations with respect to outstanding debt, has experienced continued erosion of its finances, and has been faced with multiple lawsuits and pending takeover legislation initiated by parties including but not limited to Assured Guaranty Municipal Corporation seeking payment and preference in their positions over bondholders and other creditors.

WHEREAS Act 47 provides for the "Governing Body" to file a municipal debt adjustment action pursuant to the United States Bankruptcy Code (11 U.S.C. 101 et seq.) should one of five conditions of the Act be met;

WHEREAS, the Council has determined that at least four of the five conditions of Act 47 have been met; namely that:

-There is imminent jeopardy of action by a creditor, claimant or supplier of goods or services which is likely to substantially interrupt or restrict the continued ability of Harrisburg to provide health or safety services to its citizens.

-One or more creditors of the municipality have rejected the proposed or adopted plan, and efforts to negotiate a resolution of their claims have been unsuccessful for a ten-day period.

-A condition substantially affecting the municipality's financial distress is potentially solvable only by utilizing a remedy exclusively available to the municipality through the Federal Municipal Debt Readjustment Act (48 Stat.798)

-A majority of the current or immediately preceding governing body of a municipality determined to be financially distressed has failed to adopt a plan or to carry out the recommendations of the Act 47 coordinator; and

WHEREAS, given that the City of Harrisburg has met Act 47's applicable provisions, and given that this Council as the designated "Governing Body" has determined that it is in the best interests of the citizens of Harrisburg, Pennsylvania, its citizens and other interested parties to invoke Act 47's provisions and file a petition and proceedings under Chapter 9 of the United States Bankruptcy Code on behalf of the City of Harrisburg which provides the City of Harrisburg with the necessary protection from its creditors while it develops and negotiates a plan for adjusting its debts.

NOW THEREFORE, BE IT RESOLVED by Harrisburg City Council that Mark D. Schwartz, Esquire is fully authorized and directed to prepare and file a petition for protection under Chapter 9 of the United States Bankruptcy Code on behalf of and in the name of the City of Harrisburg. Councilperson Wilson is hereby authorized and directed, on behalf of and in the name of the City of Harrisburg, to execute and verify such petition, schedules, lists and other papers to cause the same to be filed with the United States Bankruptcy Court for the Middle District of Pennsylvania and to take any and all actions which they shall deem necessary and proper in connection with said Chapter 9 case with a view to the successful completion of such case.

ADOPTED by the City Council of the City of Harrisburg at a meeting
held on October , 2011.

ATTEST: _____