

RECORD OF ORDINANCES

Dayton Legal Blank, Inc.

Form No. 30050

Ordinance No. 3632 Passed April 10, 2018

AN ORDINANCE AUTHORIZING THE CONSOLIDATION OF TWO SEPARATELY AUTHORIZED BOND ANTICIPATION NOTES INTO A SINGLE CONSOLIDATED ISSUE OF BOND ANTICIPATION NOTES KNOWN AS THE VARIOUS PURPOSE REAL ESTATE ACQUISITION BOND ANTICIPATION NOTES, 2018 RENEWAL, AGGREGATING TO A PRINCIPAL AMOUNT NOT TO EXCEED \$4,400,000 IN PRINCIPAL AND DECLARING AN EMERGENCY.

WHEREAS, this Council of the City of West Carrollton, Ohio (the “City”) previously passed two separate ordinances authorizing the issuance of bond anticipation notes, as follows: (a) not to exceed \$3,200,000 Various Purpose Real Estate Acquisition Bond Anticipation Notes, Series 2017, for the purpose of acquire various parcels of real estate and the accompanying real property improvements consisting generally of three parcels of real property in the City identified as lots 4005, 4006 and 2500 on the revised plat of the City and to demolish all or a part of those real estate improvements for economic development purposes and (b) not to exceed \$1,330,000 Various Purpose Real Estate Acquisition Bond Anticipation Notes, 2017 Renewal, for the purpose of refunding a prior series of bond anticipation notes in a reduced principal amount, the proceeds of which notes were used to acquire real estate in the City for economic development purposes (collectively, the “2017 Note Ordinances” and each a “2017 Note Ordinance”); and

WHEREAS, this Council desires to consolidate the two issues of bond anticipation notes into a single issue of bond anticipation notes in order to achieve certain cost savings;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF WEST CARROLLTON, COUNTY OF MONTGOMERY, STATE OF OHIO, THAT:

Section 1. That pursuant to the provisions of Section 133.30(B), Ohio Revised Code, the two separate issues of bond anticipation notes shall be consolidated into a single issue of bond anticipation notes of the City, which bond anticipation notes shall be known as “Various Purpose Real Estate Acquisition Bond Anticipation Notes, Series 2018” (the “Notes”) and which consolidated note issue shall not exceed \$4,400,000 in principal.

Section 2. That the Notes shall bear interest at such rate or rates, and have maturities or principal payments consistent with the interest rate on and the maturities of the underlying issues, and shall be in “book-entry-only” form or certificated form, all as set forth in the 2017 Note Ordinances, the respective certificates of award for the underlying bond anticipation notes or as requested by the purchaser of the Notes.

Section 3. That the Finance Director/Clerk of the City, without further action by this Council, is hereby authorized to execute a certificate of award (the “Certificate of Award”) for the consolidated issue of Notes for the same purposes and in the same manner as the respective certificates of award for the underlying bond anticipation notes or a consolidated Certificate of Award.

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Section 4. That the proceeds of the sale of the Notes shall be apportioned, deposited and credited in accordance with Section 133.32, Ohio Revised Code, to the respective purposes and funds in accordance with the amount of each of the issues authorized by each respective 2017 Note Ordinance.

Section 5. That the Notes shall be executed by the City Manager and the Finance Director/Clerk and may but shall not be required to bear the seal of the corporation provided that either (but not both) of such officers' signatures and the seal may be facsimiles. The Notes shall be payable at a bank or trust company designated by the Finance Director/Clerk and acceptable to the purchaser, and shall express upon their face the purpose for which they are issued and that they are issued in pursuance of this Ordinance.

The Notes shall bear the manual authenticating signature of an authorized representative of the Paying Agent and Registrar, which shall be such bank or trust company as is selected by the Finance Director/Clerk to act, as paying agent, registrar and transfer agent (the "Paying Agent and Registrar") for the Notes as set forth in the Note Purchase Agreement. The principal amount of each Note shall be payable at the office of the Paying Agent and Registrar, and interest thereon shall be paid at maturity.

The Notes shall be transferable by the registered holder thereof in person or by his attorney duly authorized in writing at the principal office of the Paying Agent and Registrar upon presentation and surrender thereof to the Paying Agent and Registrar. The City and the Paying Agent and Registrar shall not be required to transfer any note during the 15-day period preceding the maturity date, and no such transfer shall be effective until entered upon the registration records maintained by the Paying Agent and Registrar. Upon such transfer, a new note or notes of authorized denominations of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange therefore.

The City and the Paying Agent and Registrar may deem and treat the registered holder of the Notes as the absolute owner thereof for all purposes, and neither the City nor the Paying Agent and Registrar shall be affected by any notice to the contrary.

Section 6. That the Notes shall be sold by the Finance Director/Clerk to Ross, Sinclair & Associates, LLC, at a price of not less than ninety-seven percent (97%) of the par value of such Notes together with accrued interest thereon, if any, and the proceeds from such sale, except any premium or accrued interest thereon, shall be paid into the proper fund and used for the purpose aforesaid and for no other purpose.

Section 7. That the Notes and any bonds issued to retire the Notes shall be special obligations of the City, and only revenue of the City received from sources other than moneys raised by taxation are pledged for the payment of the same (the "Revenues").

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The par value received from the sale of bonds anticipated by the Notes, and any excess funds resulting from the issue of the Notes, shall, to the extent necessary, be used only for the retirement of the Notes at maturity, together with interest thereon and is hereby pledged for such purpose.

The payment of the principal of, premium, if any, and interest on the Notes, as well as any "Parity Notes" heretofore or hereafter issued as provided for in Section 17 hereof, is secured by a pledge of and lien on the Revenues on deposit in the Note Retirement Account, as described below. The City has heretofore created a separate account designated "Note Retirement Account" into which Revenues shall be deposited on or prior to the respective dates that the principal of, premium, if any, and interest on the Notes and any Parity Notes are due in an amount sufficient to pay the principal of, premium, if any, and interest on the Notes and any such Parity Notes.

The Revenues shall include (a) grants from the United States of America and the State of Ohio; (b) payments in lieu of taxes now or hereafter authorized by any statute of the State of Ohio to the extent not pledged to pay debt charges on other City indebtedness; (c) fines and forfeitures which are deposited in the City's General Fund; (d) fees deposited in the City's General Fund for services provided and from properly imposed licenses and permits; (e) investment earnings on the City's General Fund and which are credited to the City's General Fund; (f) investment earnings on other funds of the City that are credited to the City's General Fund; (g) proceeds from the sale of assets which are deposited in the City's General Fund; and (h) gifts and donations. Payment of the principal of, premium, if any, and interest on the Notes is specifically secured by a pledge of and lien on the proceeds from the sale or lease of all or a portion of the real estate and the accompanying real property improvements purchased with the proceeds of these Notes.

In order to better secure the payment of the principal of, premium, if any, and interest on the Notes as the same shall become due and payable, the City Manager and the Finance Director/Clerk are each authorized and directed to take any and all actions and to execute such documents, financing statements, assignments, certificates and other instruments that may be necessary or appropriate in the opinion of Thompson Hine LLP, as Bond Counsel, in order to perfect the pledge of and to secure the Revenues for the benefit of the Noteholders and to effect the issuance of the Notes and to comply with the intent of this Legislation.

The Notes are not general obligations of the City; Noteholders shall have no right to have any taxes levied or collected for the repayment of the Notes.

Anything in this legislation or the notes notwithstanding, neither this Ordinance nor the Notes constitute a debt, or a pledge of the faith or credit, or taxing power of the City, the State or any political subdivision thereof, and the holders or owners of the Notes

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shall have no right to have taxes levied by the City, the General Assembly of the State, or the taxing authority of any political subdivision of the State for the payment of the principal of and interest on the Notes, and the notes shall contain on their faces a statement to that effect. Nothing herein shall be deemed to prohibit the City from lawfully using, of its own volition, any of its general resources for the fulfillment of any of the terms and conditions of this Ordinance or the Notes.

Section 8. The final terms of the Notes, which shall not be inconsistent with this Ordinance, shall be set forth in a Certificate of Award and/or Note Purchase or Placement Agreement (the "Note Purchase Agreement") each of which is hereby authorized to be entered into by and between the City and Ross, Sinclair & Associates, LLC, as underwriter or placement agent for the Notes (the "Underwriter") and the Finance Director/Clerk or the City Manager are each authorized without further action of this Council to execute such Certificate of Award and/or Note Purchase Agreement. The execution of such Certificate of Award and/or Note Purchase Agreement by such official shall evidence acceptance of the final terms of the Notes and that such terms are consistent with this Ordinance.

Section 9. The funds derived from the sale of the Notes authorized by this Ordinance become and they are hereby set aside and appropriated for the payment as described in this Ordinance.

Section 10. The proceeds of the sale of the Notes, less the underwriting discount of the Underwriter, plus other lawfully available funds of the City as set forth in the Note Purchase Agreement, and except for accrued interest, shall be used as follows:

(a) the amount as set forth in the Certificate of Award to be used to pay all costs and items of expense incurred by the City in connection with the issuance of the Notes, including without limitation costs of Bond Counsel and other legal, accounting and management services and services of other consultants and professional, a placement agent fee if the Notes are not sold in an underwriting, and related charges, fees and disbursements; bond rating fees; costs of issuance; printing and reproduction costs; filing and recording fees; initial fees and charges of the Paying Agent and Registrar; and costs of preparation, execution, transportation and safekeeping of the Notes (the "Cost of Issuance"). The City shall transfer to the Note Retirement Account any moneys remaining in the Cost of Issuance allocation upon determination by the Finance Director/Clerk that all the costs described above have been received and paid by the City; and

(b) the remainder of the proceeds shall be apportioned to the respective purposes and funds in accordance with the amount of each of the issues authorized by each respective 2017 Note Ordinance.

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Any accrued interest on the Notes shall be transferred to the Note Retirement Account and shall be applied only to the payment of the interest and principal of the Notes and for no other purpose.

Section 11. From and after the date of issuance of the Notes, the annual Revenues shall first be used to pay the principal of, premium, if any, and interest payable on the Notes and on any Parity Notes, and then shall be used for any legal purpose of the Revenues.

For that purpose, in each year while the Notes and any Parity Notes are outstanding, this Council, after providing for the payment of the principal of, premium, if any, and interest payable on the City's general obligation securities in that year from sources available for that purpose, will appropriate Revenues required to pay, and for the purpose of paying, the Annual Debt Service on the Notes and any Parity Notes due in that year. Further, this Council will give effect to such appropriations in all ordinances it passes thereafter in that year appropriating money for expenditure and encumbrance and limit the other appropriations of Revenues in that year to the amount available after deducting the amount required for the payment of the principal of, premium, if any, and interest payable on the City's general obligation securities and to pay the Annual Debt Service on the Notes and any Parity Notes.

From and after the fifth annual anniversary date of the issuance date of the Notes, debt service on any notes then outstanding that refinanced the Notes (or any notes that refinanced the Notes or any subsequent refinancing notes) shall be payable annually in an amount equal to the interest due on such notes plus an amount equal to a principal payment as if such notes had been issued as 20 year bonds.

Section 12. That this Council hereby authorizes the City to participate in the Ohio Market Access Program – Note Wrap – offered by the Treasurer of the State of Ohio (the "Program"), provided that (a) participation in the Program is in the interests of the City and (b) the Finance Director/Clerk affirmatively elects to participate in the Program in the Certificate of Award.

Section 13. That the Standby Note Purchase Agreement (the "Standby Note Purchase Agreement") required as part of the Program is hereby authorized in the form presented to this Council with such changes not materially adverse to the City as may be approved by the authorized signatories of the City executing the Standby Note Purchase Agreement, as provided in this Ordinance. The City acknowledges the agreement of the Treasurer of State in the Standby Note Purchase Agreement that, in the event the City is unable to repay the principal amount and accrued and unpaid interest of the Notes at maturity, whether through its own funds or through the issuance of other obligations of the City, the Treasurer of State agrees (a) to purchase the Notes from the holders or beneficial owners thereof upon their presentation to the Treasurer of State for such purchase at a price of par plus accrued interest to maturity or (b) to purchase renewal

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notes of the City in a principal amount not greater than the principal amount of the Notes plus interest due at maturity, with such renewal notes bearing interest at a rate of the lower of the maximum interest rate provided by law or the 1-year MMD (Municipal Market Date) Index for "AAA" -rated obligations plus 400 basis points (or such other rate methodology in effect as part of the Program), maturing not more than one year after the date of their issuance, and being pre-payable at any time with 30 days' notice, provided that in

connection with the Treasurer of State's purchase of such renewal notes the City shall deliver to the Treasurer of State an unqualified opinion of nationally recognized bond counsel that (i) such renewal notes are the legal, valid, and binding general obligations of the City, and the principal of and interest on such renewal notes, unless paid from other sources, are to be paid from non-tax revenues of the City and (ii) interest on the renewal notes is includible in gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended to the same extent that interest on the notes is so excluded.

In addition, the City acknowledges that the Treasurer of State will establish an "After Maturity Interest Rate," as generally provided for as part of the Program and as specifically provided for within the Standby Note Purchase Agreement.

The City Manager and the Finance Director/Clerk, as the officers signing the Notes, are authorized to take all actions that may in their judgment reasonably necessary to provide for the Standby Note Purchase Agreement, including but not limited to the inclusion of a notation on the form of the Notes providing notice to the holders or beneficial owners of the existence of the Standby Note Purchase Agreement and providing instructions to such holders or beneficial owners regarding the presentation of the Notes for purchase by the Treasurer of State at stated maturity.

This Council hereby authorizes further representations, warranties, and/or covenants to be made regarding the City's participation in the Program by virtue of the Certificate of Award and/or other Program documents, subject to review and approval by legal counsel to the City.

Section 14. That sums which are expended from the above appropriations and which are proper charges against and are repaid by any other department, any firm, person, or corporation, shall be considered reappropriated for such original purpose; provided that the total appropriation as increased by any such repayment shall not be exceeded.

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Section 15. That the Finance Director/Clerk of the City be and is hereby authorized to draw his warrants of the City Treasury or Depository for payments from any of the foregoing appropriations upon receiving proper approval in accordance with the Charter, the Administrative Code or other ordinances of the City.

Section 16. Interest on the Notes hereby authorized shall be subject to federal income taxation under the Internal Revenue Code of 1986, as amended, unless the Notes are accompanied by an opinion of nationally recognized bond counsel to the effect that such interest is exempt from federal income tax.

Section 17. So long as any Notes are outstanding, the City shall have the right to issue, on a parity with the Notes, any additional notes, bonds, or other obligations payable from the Revenues enumerated in Section 7 above (the "Parity Notes") so long as such Revenues are at least 2.5 times the annual debt service on the Notes and any Parity Notes, including such additional Parity Notes as are outstanding as of the date of the issuance of the Notes. The City shall also have the unrestricted right to issue additional notes, bonds or other obligations subordinate to the Notes, or payable from taxes or other revenues of the City, other than the sources enumerated in Section 6 above.

Section 18. The City hereby covenants and agrees with the holders of the Notes from time to time, so long as any Notes are outstanding, as follows:

(a) The City will, at any and all times, cause to be done all such further acts and things and cause to be executed and delivered all such further instruments as may be necessary to carry out the purpose of the Notes and this legislation.

(b) All of the obligations set forth and covenants made under this legislation are hereby established as duties specifically enjoined by law and resulting from an office, trust, or station upon the City within the meaning of Section 2731.01 of the Ohio Revised Code.

(c) The City will observe and will satisfactorily and punctually perform all its agreements and obligations provided for by the Notes and this legislation.

Section 19. That the Finance Director/Clerk is hereby authorized to apply, if he deems it appropriate, for a rating on the Notes from either Standard & Poor's Corporation or Moody's Investors Service, and to pay the fee for said rating to the extent authorized by law and approved by Bond Counsel.

Section 20. The Finance Director/Clerk is hereby further authorized to take such actions as may be reasonably requested by the purchaser of the Notes in order to make the Notes eligible for the services of The Depository Trust Company, New York, New York.

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Section 21. All appropriate officers of the City are further authorized to make, execute, acknowledge and deliver such closing certificates, financing statements and other instruments or agreements as are, in the opinion of Bond Counsel, necessary or appropriate, in order to effect the issuance of the Notes and to carry out the purposes of this Ordinance.

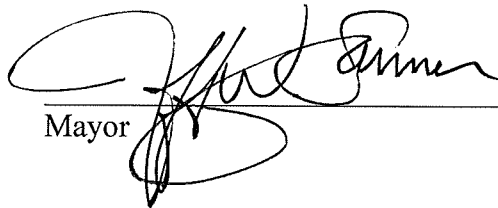
Section 22. That the firm of Thompson Hine LLP is hereby engaged as the City's "Bond Counsel" and that the City Manager is hereby authorized and directed to execute and deliver the engagement letter in the form on file with the City.

Section 23. That this Council hereby finds and determines that all formal actions relative to the passage of this Ordinance were taken in an open meeting of this Council, and that all deliberations of this Council and of its committees, if any, which resulted in formal action, were taken in meetings open to the public, in full compliance with applicable legal requirements, including Section 121.22 of the Revised Code.

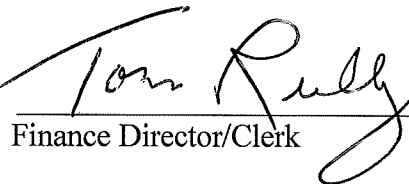
Section 24. That the Finance Director/Clerk is hereby directed to forward a copy of this Ordinance to the County Auditor of Montgomery County, Ohio.

Section 25. That this Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health, welfare, and safety of the inhabitants of the City, which requires the immediate issuance of the Notes in order to provide for the timely refunding of the two prior series of bond anticipation notes in a reduced principal amount and the payment of certain costs of issuance, all in a timely manner without incurring further delay or expense, and all in accordance with and in furtherance of the current economic development plan of the City. The Ordinance shall take effect immediately upon adoption.

ADOPTED: April 10, 2018



Mayor

Attest: 

Finance Director/Clerk

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CERTIFICATE

The undersigned, Finance Director/Clerk, West Carrollton, Ohio, hereby certifies the foregoing to be a true and correct copy of Ordinance No. 3632 adopted April 10, 2018.

Finance Director/Clerk

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Passed _____, 20____