

ORDINANCE NO.: 2013-07
SPONSOR: MAYOR NORTON
INTRODUCED: MAY 14, 2013

ASSIGNED TO: FINANCE

AN ORDINANCE AUTHORIZING THE ISSUANCE OF BONDS IN A MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$1,350,000, FOR THE PURPOSE OF REFUNDING RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS ISSUED IN 2010 TO PAY COSTS OF IMPROVING GLOBAL GATEWAY DRIVE IN THE CITY, AND DECLARING AN EMERGENCY.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GREEN, COUNTY OF SUMMIT, STATE OF OHIO:

SECTION ONE:

Findings and Determinations. This Council finds and determines the following matters (capitalized terms are defined in Section 14):

- (a) The City has previously issued the Outstanding Bonds to finance the costs of improvements to Global Gateway Drive in the City.
- (b) It is now necessary for the City to issue the Series 2013B Bonds for the purpose of (1) refunding the outstanding maturities of the Outstanding Bonds, and (2) paying Financing Costs of the Series 2013B Bonds.
- (c) The Director of Finance, as fiscal officer, has certified to this Council the maximum maturity of the Outstanding Bonds.
- (d) All acts and conditions necessary to be performed by the City or to have been met for the issuance of the Series 2013B Bonds in order to make them legal, valid, and binding general obligations of the City, have been performed and met, or will have been performed and met at the time of delivery of the Series 2013B Bonds, as required by law.
- (e) No statutory or constitutional limitation of indebtedness or taxation will be exceeded by the issuance of the Series 2013B Bonds.

SECTION TWO:

Terms of the Bonds. The Series 2013B Bonds will have the following terms:

- (a) **Amount.** The Series 2013B Bonds will be issued in the maximum Original Principal Amount of \$1,350,000. The principal amounts of the Series 2013B Bonds to be issued as Current Interest Bonds, as Capital Appreciation Bonds, as Capital Appreciation Bonds that convert at some future date to Current Interest Bonds, as Serial Bonds, and as Term Bonds will be determined by the Director of Finance in the Certificate of Award.

- (b) **Date.** The Current Interest Bonds will be dated the Closing Date, or any other date, not more than 31 days before the Closing Date, as determined by the Director of Finance in the Certificate of Award. The Capital Appreciation Bonds will be dated the Closing Date.
- (c) **Maturity.** The Series 2013B Bonds will mature or be payable by Mandatory Sinking Fund Redemption in the amounts and on the Principal Payment Dates as follows:

Year	Amount	Year	Amount
2013	\$75,000	2022	\$75,000
2014	75,000	2023	75,000
2015	75,000	2024	75,000
2016	75,000	2025	75,000
2017	75,000	2026	75,000
2018	75,000	2027	75,000
2019	75,000	2028	75,000
2020	75,000	2029	75,000
2021	75,000	2030	75,000

The Director of Finance may adjust the principal payment schedule shown above, by (1) increasing or decreasing the principal amounts of the Series 2013B Bonds maturing or payable by Mandatory Sinking Fund Redemption on any one or more of the Principal Payment Dates, or (2) by shortening the schedule so that the Series 2013B Bonds will mature over a lesser number of years. The Director of Finance must set forth any adjustment of the principal payment schedule in the Certificate of Award.

- (d) **Redemption Before Stated Maturity.** The Series 2013B Bonds will be subject to redemption before their stated maturity as described in this Section 2(d), unless otherwise determined by the Director of Finance in the Certificate of Award.
 - (1) **Mandatory Sinking Fund Redemption.** If any of the Series 2013B Bonds are issued as Term Bonds, the Term Bonds will be subject to Mandatory Sinking Fund Redemption, in part, on the Mandatory Redemption Dates, at a redemption price of 100% of the principal amount being redeemed, plus interest accrued to the redemption date. The principal amounts to be paid by Mandatory Sinking Fund Redemption will be those in the principal payment schedule in Section 2(c) above.

The City will have the option to deliver Term Bonds in any principal amount to the Registrar for cancellation. The City will be entitled to a credit against its obligation to pay Debt Service by Mandatory Sinking Fund Redemption on any future Mandatory Redemption Date for Term Bonds that (A) are delivered by the City to the Registrar, (B) have previously been redeemed other than by Mandatory Sinking Fund Redemption, or (C) have been purchased and canceled by the Registrar as provided in the Registrar Agreement.

- (2) **Optional Redemption.** The Series 2013B Bonds maturing on or after December 1, 2023 will be subject to redemption, at the option of the City, on or after December 1, 2022, in whole or in part on any date, in whole multiples of \$1,000, at the redemption price of 100% of the principal amount being redeemed, plus interest accrued to the redemption date.

The Director of Finance may determine to change the optional redemption provisions relating to the Series 2013B Bonds set forth above by (A) changing the earliest optional redemption date, which may be any date before the final maturity of the Series 2013B Bonds, (B) changing the redemption prices for the Series 2013B Bonds, which may not exceed 110% in any year in which the Series 2013B Bonds are subject to optional redemption, and (C) determining that the Series 2013B Bonds will not be subject to optional redemption. The Director of Finance must set forth any change to the optional redemption provisions in the Certificate of Award.

The City's option to redeem the Series 2013B Bonds shall be exercised by a notice from the Director of Finance to the Registrar as provided in the Registrar Agreement.

- (3) **Terms of Redemption.** The other terms of redemption and provisions for partial redemption, for notices of redemption, and provisions for payment of redeemed Series 2013B Bonds will be set forth in the Registrar Agreement.
- (e) **Interest Rates.** The Series 2013B Bonds will bear interest at the rate or rates determined in the Certificate of Award. The weighted average of the rates of interest on the Series 2013B Bonds, determined by taking into account the principal amounts of the Series 2013B Bonds and the terms to maturity or Mandatory Redemption Dates of those principal amounts, may not exceed 9% per annum. Interest will be calculated on a 360-day year of twelve, 30-day months.
- (1) **Current Interest Bonds.** Current Interest Bonds will bear interest from the most recent date to which interest has been paid or provided for or, if no interest has been paid or provided for, from their date. Interest on the

Current Interest Bonds will be payable on the Interest Payment Dates until the principal amount has been paid or provided for. All Current Interest Bonds with the same stated maturity must bear interest at the same rate.

- (2) **Capital Appreciation Bonds.** Any Capital Appreciation Bonds will bear interest from their date. The rate of interest on a Capital Appreciation Bond must be a rate that will result in a Maturity Amount for that Capital Appreciation Bond, payable at maturity, as determined by the Director of Finance in the Certificate of Award. Interest on a Capital Appreciation Bond will be accrued and compounded on each Interest Payment Date, and will be payable at maturity. All Capital Appreciation Bonds with the same stated maturity must bear interest at the same compounding rate.

The total interest accrued on any Capital Appreciation Bond as of any date will be an amount equal to the amount by which the Compound Accreted Amount of that Capital Appreciation Bond exceeds the Original Principal Amount of that Capital Appreciation Bond as of that date. The Compound Accreted Amounts of the Capital Appreciation Bonds as of the Interest Payment Dates must be set forth in the Certificate of Award. The Compound Accreted Amount of a Capital Appreciation Bond as of any date other than an Interest Payment Date will be calculated in the manner described in the definition of "Compound Accreted Interest" in Section 14.

- (f) **Form, Numbering, and Denominations.** The Series 2013B Bonds must be issued in fully registered form. They must be issued in Authorized Denominations and in such numbers as requested by the Original Purchaser and approved by the Director of Finance. They must be numbered as determined by the Registrar. They must express on their faces the purpose for which they are issued and that they are issued in accordance with this ordinance. The Series 2013B Bonds will be designated "Global Gateway Drive General Obligation Refunding Bonds, Series 2013B" unless otherwise designated in the Certificate of Award.

SECTION THREE:

Payment. The Debt Service on the Series 2013B Bonds will be payable in lawful money of the United States of America without deduction for the services of the Paying Agent. Principal and any premium on the Series 2013B Bonds will be payable when due upon presentation and surrender of the Series 2013B Bonds at the office of the Paying Agent. Interest on the Current Interest Bonds will be paid on each Interest Payment Date by check or draft mailed on the Interest Payment Date to the Holder as shown on the Register at the close of business on the 15th day of the month preceding the Interest Payment Date. Interest on the Capital Appreciation Bonds will be payable at maturity, in accordance with Section 2(e)(2) of this ordinance. Notwithstanding the foregoing, so long as the Series 2013B Bonds are issued in book-entry form in a book-entry system, Debt Service on the

Series 2013B Bonds will be payable as provided in any agreement entered into by the City in connection with the book-entry system. Payment of Debt Service on any Series 2013B Bond will be made only to or upon the order of the Holder. All such payments will be valid and effectual to satisfy and discharge the City's liability upon that Series 2013B Bond to the extent of the amount or amounts so paid.

**SECTION FOUR:
Signing and Authentication.**

- (a) **Signing.** The Series 2013B Bonds must be signed on behalf of the City by the Mayor and the Director of Finance. In the absence of the Mayor, the Series 2013B Bonds must be signed by the President of Council and, in the absence of the Director of Finance, the Series 2013B Bonds must be signed by the Tax Administrator. Both signatures on the Series 2013B Bonds may be facsimiles.
- (b) **Authentication.** No Series 2013B Bond will be valid or obligatory for any purpose or will be entitled to any security or benefit under the Bond Proceedings unless and until the certificate of authentication printed on the bond certificate is signed by the Registrar as authenticating agent. Authentication by the Registrar will be conclusive evidence that the Series 2013B Bond so authenticated has been duly issued, signed, and delivered under, and is entitled to the security and benefit of, the Bond Proceedings. The certificate of authentication may be signed by any authorized officer or employee of the Registrar or by any other person acting as an agent of the Registrar and approved by the Director of Finance on behalf of the City. The same person need not sign the certificate of authentication on all of the Series 2013B Bonds.

**SECTION FIVE:
Registration; Transfer and Exchange; Book-Entry System.**

- (a) **Registration.** So long as any of the Series 2013B Bonds remain outstanding, the City must cause the Registrar to maintain the Register. The person in whose name a Series 2013B Bond is registered on the Register will be regarded as the absolute owner of that Series 2013B Bond for all purposes of the Bond Proceedings. Neither the City nor the Registrar will be affected by any notice to the contrary, but the registration may be changed as provided in this Section and in the Registrar Agreement.
- (b) **Transfer and Exchange.** Any Series 2013B Bond may be transferred or exchanged for Series 2013B Bonds of any Authorized Denomination, as provided in the Registrar Agreement. All Series 2013B Bonds issued and authenticated upon any exchange or transfer will be valid obligations of the City, evidencing the same debt,

and entitled to the same security and benefit under the Bond Proceedings as the Series 2013B Bonds surrendered upon that exchange or transfer.

- (c) **Book-Entry System.** If a series of Series 2013B Bonds is issued in book-entry form, they must be originally issued to a Depository, initially The Depository Trust Company, for use in a book-entry system upon the terms provided in the Registrar Agreement. Under the book-entry system, the Series 2013B Bonds will be registered in the name of a Depository or its nominee, the bond certificates in fully-registered form will be deposited with and retained in the custody of the Depository or its agent, and the ownership of interests in the Series 2013B Bonds may be transferred only through a book entry on the records of the Depository.

Subject to the provisions of this ordinance relating to the City's Continuing Disclosure Agreement, the City and the Registrar must recognize and treat the Depository as the Holder of the Series 2013B Bonds for all purposes, including payment of Debt Service, redemption and other notices, and enforcement of remedies.

If any Depository determines not to continue to act as a Depository for the Series 2013B Bonds for use in a book-entry system or if the City determines to discontinue the book-entry system, the Director of Finance may attempt to establish a securities depository/book-entry relationship with another qualified Depository. If the Director of Finance does not do so, the Director of Finance must direct the Registrar to make provision for notification of the book-entry interest owners by the Depository and to make any other arrangements necessary for the withdrawal of the Series 2013B Bonds from the book-entry system.

If the Series 2013B Bonds are sold in a private placement and not in book-entry form, the City, if requested by a Holder of the Series 2013B Bonds, will complete the necessary procedures to qualify the Series 2013B Bonds as book-entry bonds.

SECTION SIX:
Sale of Series 2013B Bonds.

- (a) **Private Sale.** This Council authorizes and directs the Director of Finance to sell the Series 2013B Bonds in a private sale to the Original Purchaser. The purchase price of the Series 2013B Bonds must not be less than 97% of the aggregate principal amount of the Series 2013B Bonds, plus any accrued interest on the Series 2013B Bonds from their date to the Closing Date. The Director of Finance may either sell the Series 2013B Bonds to an investment banker, acting as an underwriter, or to a financial institution or other entity or person in a private placement. If the Director of Finance sells the Series 2013B Bonds in a private placement, this Council authorizes the Director of Finance to select a placement agent for that private

placement. The Director of Finance may enter into a Purchase Agreement with the Original Purchaser in that private sale, or may sell the Series 2013B Bonds without a Purchase Agreement. The Director of Finance may sell the Series 2013B Bonds at the same time, in the same manner, and in the same offering with other securities of the City, whether or not those other securities have been consolidated with the Series 2013B Bonds in accordance with (b) below.

- (b) **Consolidation.** If the Director of Finance determines it to be in the best interest of the City, he may combine the Series 2013B Bonds with one or more other general obligation bonds of the City, payable from taxes subject to the ten-mill tax limitation.
- (c) **Certificate of Award.** The Director of Finance must deliver a Certificate of Award to the Original Purchaser in connection with the sale of the Series 2013B Bonds. The Director of Finance must state the following in the Certificate of Award: the principal amounts to be issued as Current Interest Bonds, Capital Appreciation Bonds, convertible Capital Appreciation Bonds, Serial Bonds, and Term Bonds; the interest rates on the Series 2013B Bonds; the Maturity Amounts and Compound Accreted Amounts of any Capital Appreciation Bonds; the first Interest Payment Date of the Series 2013B Bonds; the purchase price for the Series 2013B Bonds; the designated Registrar and Paying Agent; the designated Original Purchaser; whether the Series 2013B Bonds will be issued and designated as “qualified tax-exempt obligations” in accordance with Code Section 265(b)(3); the designation of the Series 2013B Bonds; and any other terms required by this ordinance. The Director of Finance may state the following in the Certificate of Award: any changes in the date of the Series 2013B Bonds, any changes in the principal payment schedule, and changes in the redemption provisions; whether the Series 2013B Bonds are to be consolidated with other bond issues; and any other terms authorized by this ordinance, subject to the limitations stated in this ordinance.
- (d) **Delivery.** The Director of Finance must cause the Series 2013B Bonds to be prepared, signed, and delivered to the Original Purchaser. This Council authorizes and directs the Clerk of Council to deliver a true transcript of proceedings for the issuance of the Series 2013B Bonds to the Original Purchaser upon payment of the purchase price.

**SECTION SEVEN:
Disclosure.**

- (a) **Primary Offering Disclosure—Official Statement.** This Council authorizes and directs the Mayor and the Director of Finance, or either of them, if they determine it to be necessary in connection with the sale of the Series 2013B Bonds, to (1) prepare

or cause to be prepared, and to make or authorize modifications, completions, or changes of or supplements to, a disclosure document in the form of an official statement, (2) determine, and certify or otherwise represent, when the official statement is to be “deemed final” (except for permitted omissions) or is a final official statement for purposes of the SEC Rule, (3) use and distribute, or authorize the use and distribution of, that official statement and any supplements in connection with the original issuance of the Series 2013B Bonds, and (4) complete and sign the final official statement together with certificates, statements, or other documents in connection with the finality, accuracy, and completeness of that official statement.

- (b) **Secondary Market Disclosure—Continuing Disclosure Agreement.** For the benefit of the Holders of the Series 2013B Bonds and the beneficial owners of book-entry interests in the Series 2013B Bonds, the City agrees, as the only obligated person with respect to the Series 2013B Bonds under the SEC Rule, to provide financial information and operating data, financial statements, and notices, in the manner required for purposes of paragraph (b)(5)(i) of the SEC Rule.

(1) **Information Filing.** The City further agrees, in particular, to provide:

- (A) to the MSRB through the EMMA System, in an electronic format as prescribed by the MSRB and containing such identifying information as prescribed by the MSRB, (1) Annual Information for each City fiscal year, not later than the end of the ninth month following the end of the fiscal year, and (2) when and if available, audited City financial statements for each of those fiscal years; and
- (B) to the MSRB through the EMMA System, in an electronic format as prescribed by the MSRB and containing such identifying information as prescribed by the MSRB, in a timely manner, notice of (1) any Specified Event, within 10 business of the occurrence of a Specified Event, (2) the City’s failure to provide the Annual Information within the time specified above, (3) any change in the accounting principles applied in the preparation of its annual financial statements, (4) any change in its fiscal year, (5) its failure to appropriate funds to meet costs to be incurred to perform the Continuing Disclosure Agreement, and (6) the termination of the Continuing Disclosure Agreement.

- (2) **Continuing Disclosure Certificate.** To further describe and specify certain terms of the Continuing Disclosure Agreement, this Council authorizes and directs the Director of Finance to (A) complete, sign, and deliver the Continuing Disclosure Certificate, in the name and on behalf of the City, and (B) to specify in reasonable detail the Annual Information to be provided

