

EMERGENCY ORDINANCE NO. 2019-02

ORDINANCE AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$1,300,000 OF REAL ESTATE ACQUISITION GENERAL OBLIGATION BOND ANTICIPATION NOTES, BY THE CITY OF MONROE, OHIO, IN ANTICIPATION OF THE ISSUANCE OF BONDS, AND DECLARING AN EMERGENCY.

WHEREAS, the fiscal officer of the City has estimated the life or period of usefulness of the improvements as at least five (5) years, and certified the maximum maturity of the bonds to be issued to finance the same as thirty (30) years, and of notes issued in anticipation thereof as twenty (20) years.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF MONROE, STATE OF OHIO, THAT:

SECTION 1. That it is hereby declared necessary to issue bonds of the City of Monroe, Counties of Butler and Warren, Ohio, in the principal amount of not to exceed \$1,300,000 bearing interest estimated at five per centum (5%) per annum and maturing over a period of not more than thirty (30) years, for the purpose of acquiring real property for use by the municipal police department.

SECTION 2. That it is hereby determined that notes (hereinafter called the "Notes") in the principal amount of not to exceed \$1,300,000 shall be issued in anticipation of the issuance of said bonds.

SECTION 3. That the Notes shall be dated their date of issuance, shall bear interest at the rate not to exceed four percent (4%) per annum, payable at maturity, shall mature not later than one year from the date of issuance, and shall be of the denomination or denominations as may be requested by the purchaser or purchasers thereof all as determined by the Finance Director or the City Manager without further action by this Council, except that the denominations shall be \$100,000 or any integral multiple of \$5,000 in excess of \$100,000. The terms of such Notes, which shall be in compliance with Chapter 133 of the Ohio Revised Code, shall be set forth in the certificate of award ("Certificate of Award"), which is hereby authorized and which shall be executed by the City Manager or the Finance Director without further action by this council.

SECTION 4. That the Notes shall be executed by the City Manager and the Finance Director and may but shall not be required to bear the seal of the corporation. The Notes shall be designated "Real Estate Acquisition General Obligation Limited Tax Bond Anticipation Notes," and shall be payable at the office of the Finance Director or such bank or trust company as is designated by the Finance Director or City Manager and 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.

SECTION 5. That the Notes shall be sold at public or private sale by the Finance Director at not less than ninety-seven percent of the par value of such Notes together with interest thereon, if any. The proceeds from such sale, except accrued interest thereon, shall be paid into the

proper funds and used for the purpose aforesaid and for no other purpose. Accrued interest, if any, received on sale of said Notes shall be transferred to the bond retirement fund to be applied to the payment of principal of and interest on said Notes in the manner provided by law.

Notwithstanding the above, the Council and the Finance Director are hereby directed to withhold delivery of the notes, and to refuse to accept payment therefor, unless and until the Original Purchaser delivers to the City a certificate acknowledging that the Original Purchaser will sell the notes to no more than 35 persons, each of whom the Original Purchaser reasonably believes (i) has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of the prospective investment and (ii) is not purchasing for more than one account or with a view to distributing the notes.

The City Manager or the Finance Director is hereby directed to report to this Council as soon after the sale and award of such notes as is reasonably feasible, the interest rate for such notes.

SECTION 6. That the Notes shall be the full general obligations of the City, and the full faith, credit and revenue of the City are hereby pledged for the prompt payment of the same.

SECTION 7. That during the period while the Notes run there shall be levied upon all of the taxable property in the City, within applicable limitations, in addition to all other taxes, a direct tax annually, not less than that which would have been levied if bonds had been issued without the prior issue of the Notes; said tax shall be and is hereby ordered computed, certified, levied and extended upon the tax duplicate and collected by the same officers in the same manner and at the same time that taxes for general purposes for each of said years are certified, extended and collected. Said tax shall be placed before and in preference to all other items and for the full amount thereof.

The funds derived from said tax levy hereby required shall be placed in a separate and distinct fund and, together with interest collected on the same, shall be irrevocably pledged for the payment of the principal and interest of the Notes, or the bonds in anticipation of which they are issued, when and as the same fall due; provided, however, to the extent other City revenues are available for such purpose said tax shall not be levied therefor.

SECTION 8. That this Council, for and on behalf of the City, hereby covenants that it will restrict the use of the Notes hereby authorized in such manner and to such extent, if any, and take such other action as may be necessary, after taking into account reasonable expectations at the time the debt is incurred, so that they will not constitute obligations the interest on which is subject to federal income taxation or "arbitrage bonds" under Sections 103(b)(2) and 148 of the Internal Revenue Code of 1986, as amended (the "Code") and the regulations prescribed thereunder. The Finance Director or any other officer having responsibility with respect to the issuance of said Notes is authorized and directed to give an appropriate certificate on behalf of the City, on the date of delivery of said Notes for inclusion in the transcript of proceedings, setting forth the facts, estimates and

circumstances and reasonable expectations pertaining to the use of the proceeds thereof and the provisions of said Sections 103(b)(2) and 148 and regulations thereunder. These Notes are hereby designated “tax-exempt obligations” for the purposes set forth in Section 265(b)(3) of the Code. The City did not anticipate issuing more than \$10,000,000 of “qualified tax-exempt obligations” during the calendar year of original issue.

SECTION 9. That this Council hereby authorizes and directs the Finance Director or the City Manager to take any and all actions which may be necessary to issue the notes in book-entry-only form or in such form as will render the notes eligible for the services of the Depository Trust Company, New York, New York without further action by this Council, including execution of all documents necessary therefore.

SECTION 10. All appropriate officers of the City are further authorized to make, execute, acknowledge and deliver such agreements, financing statements, closing certificates and other instruments or documents as are, in the opinion of bond counsel, necessary to carry out the purposes of this ordinance, including a note purchase agreement between the City and the purchaser of the Notes, if so requested by the purchaser.

SECTION 11. That the firm of Dinsmore & Shohl 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 12. The City Manager or the Finance Director is hereby authorized to apply, if he or she 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 or premium for said rating to the extent authorized by law and approved by bond counsel.

SECTION 13. That the Finance Director is hereby directed to forward a certified copy of this Ordinance to the County Auditor.

SECTION 14. That it is found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements.

SECTION 15. That this Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health, safety and welfare and further for the reason that the immediate issuance of said Notes is required for the timely refinancing of the projects to which this financing relates including obtaining a favorable interest rate, and it shall take effect immediately upon its adoption.

PASSED: February 12, 2019

ATTEST:



Clerk of Council

APPROVED:



Mayor

"I, the undersigned Clerk of Council of the city of Monroe, Ohio, hereby certify the foregoing (ordinance or resolution) was published as required by Section 7.16 of the Charter of the City of Monroe.



Clerk of Council
City of Monroe, Ohio

This legislation was enacted in an open meeting pursuant to the terms and provisions of the Charter Law, Section 121.22 of the Ohio Revised Code.