

ORDINANCE NO. 838 AC CMS

AN ORDINANCE TO PROVIDE FOR THE ISSUANCE OF A NOTE IN ANTICIPATION OF THE ISSUANCE OF BONDS TO PAY COSTS OF IMPROVING IN COOPERATION WITH THE DEPARTMENT OF HIGHWAYS OF THE STATE OF OHIO EAST COLLEGE STREET AND WEST COLLEGE STREET BETWEEN CERTAIN TERMINI BY GRADING, DRAINING AND PAVING AND CONSTRUCTING CURBS AND GUTTERS AND STORM SEWERS TOGETHER WITH ALL NECESSARY APPURTENANCES, AND DECLARING AN EMERGENCY.

WHEREAS, the Council of the City of Oberlin has heretofore by proper legislation determined to cooperate with the Department of Highways of the State of Ohio in the improvement of East College Street and West College Street between certain termini by grading, draining and paving and constructing curbs and gutters and storm sewers together with all necessary appurtenances; and

WHEREAS, the Auditor as fiscal officer, has certified to this Council that the estimated life of the improvement hereinafter mentioned is at least five years, and that the maximum maturity of the bonds hereinafter referred to is twenty years, and the maximum maturity of the note, hereinafter referred to, to be issued in anticipation of said bonds is five years or one year from such date if sold privately;

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Oberlin, Lorain County, Ohio:

Section 1. That it is hereby declared necessary to issue bonds of the City of Oberlin in the principal sum of \$100,000 for the purpose of paying costs of improving in cooperation with the Department of Highways of the State of Ohio East College Street and West College Street between certain termini by grading, draining and paving and constructing curbs and gutters and storm sewers together with all necessary appurtenances.

Section 2. That such bonds shall be dated approximately January 1, 1973, shall bear interest at the estimated rate of five and one-half per centum (5-1/2%) per annum, payable semi-annually, until the principal sum is paid, and shall mature in twenty substantially equal annual installments after their issuance.

Section 3. That it is necessary to issue and this Council hereby determines that a note in the principal amount of \$100,000 shall be issued in anticipation of such bonds. Such anticipatory note shall bear interest at the rate of three and one-quarter per centum (3.25%) per annum, such interest to be payable at maturity. Such note shall be dated as of the date of its issuance and shall mature on or before one year from date.

Section 4. Such note shall be executed by the City Manager and Auditor and bear the seal of the corporation. It shall be payable at the office of The Foreign National Bank, London, Ohio, and shall express upon its face the purpose for which it is issued and that it is issued pursuant to this ordinance.

Section 5. Subject to the rejection of such note by the officer in charge of the Bond Retirement Fund for investment in such fund, such note shall be and hereby is awarded and sold to The Foreign National Bank, at the par value thereof together with any premium and accrued interest thereon; and the Treasurer is hereby authorized and directed to deliver such note, when executed, to such purchaser upon payment of such purchase price. The proceeds from the sale of such note, except any premium and accrued interest, shall be paid into the proper fund and used for the purpose for which such note is being issued under the provisions of this ordinance. Any premium and accrued interest received from such sale shall be transferred to the Bond Retirement Fund to be applied to the payment of the principal and interest of such note in the manner provided by law. Since the permanent improvement for which such note is to be issued is urgently needed, the appropriate officers of this municipality are hereby directed to proceed with all dispatch to secure completion thereof as promptly as is feasible, and it is expected that the same will be completed as soon as possible and that any proceeds of this issue will be invested or deposited only for a temporary period pending need for expenditures to pay costs of such improvement. This municipality covenants that the proceeds of such note shall not be invested or used in such manner that such note would be "arbitrage bonds" for purposes of Section 103(d)(1) of the Internal Revenue Code of 1954.

Section 6. Such note shall be the full general obligation of this municipality and the full faith, credit and revenue of this municipality are hereby pledged for the prompt payment of the same. The par value to be received from the sale of the bonds anticipated by such note and any excess funds resulting from the issuance of such note shall, to the extent necessary, be used for the retirement of such note at maturity, together with interest thereon, and are hereby pledged for such purpose.

Section 7. That during the year or years while such note runs there shall be levied on all the taxable property in this municipality, in addition to all other taxes, a direct tax annually not less than that which would have been levied if bonds had been issued therefor without the prior issue of said note. 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 levies hereby required shall be placed in a separate and distinct fund, which, together with the interest collected on the same, shall be irrevocably pledged for the payment of the principal and interest of such note or the bonds in anticipation of which it is issued when and as the same falls due.

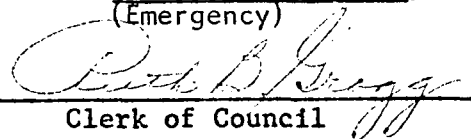
Section 8. It is hereby determined that all acts, conditions and things required to be done precedent to and in the issuance of such note, in order to make it a legal, valid and binding obligation of this municipality, have happened, been done and performed in regular and due form as required by law; that no limitation of indebtedness or taxation, either statutory or constitutional, will have been exceeded in the issuance of such note.

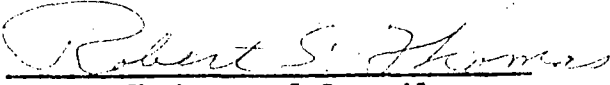
Section 9. The Clerk of this Council is hereby directed to forward a certified copy of this ordinance to the County Auditor.

Section 10. This ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health and safety of this municipality, and for the further reason that the immediate construction of said improvement is necessary to eliminate existing hazards to pedestrian and vehicular traffic; wherefore, this ordinance shall be in full force and effect from and immediately after its passage.

1st reading-1/17/72
Passed: 2nd reading- 1/24, 1972
(Emergency)

Attest: _____


Clerk of Council


Chairman of Council

Posted: February 5, 1972