

ORDINANCE NO. 1143 AC CMS

AN ORDINANCE TO PROVIDE FOR THE ISSUANCE OF A NOTE IN ANTICIPATION OF THE ISSUANCE OF BONDS FOR THE PURPOSE OF ACQUIRING REAL PROPERTY TO PROVIDE HOUSING FOR MUNICIPAL OFFICES, AND DECLARING AN EMERGENCY.

WHEREAS, pursuant to Ordinance No. 1056 AC CMS passed July 1, 1974, a note in the amount of \$68,000 was issued for the purpose hereinafter stated, which note will mature on July 31, 1975; and

WHEREAS, an amount of \$50,000 is available to be applied against the principal amount of the outstanding note and Council has determined to issue a new note in the amount of \$18,000 to provide the remaining funds needed to retire the outstanding note at its maturity; 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 (5) years, and that the maximum maturity of the bonds hereinafter referred to is thirty (30) years, and the maximum maturity of the note hereinafter referred to, to be issued in anticipation of said bonds is July 23, 1976;

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 \$18,000 for the purpose of acquiring real property to provide housing for municipal offices.

Section 2. That such bonds shall be dated approximately July 1, 1976, shall bear interest at the estimated rate of seven per centum (7%) per annum, payable semi-annually, until the principal sum is paid, and shall mature in 30 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 \$18,000 shall be issued in anticipation of such bonds and to retire along with other funds available said outstanding note dated July 31, 1974. Such anticipatory note shall bear interest at the rate of Five Percent per centum (5.00%) per annum, such interest to be payable at maturity. Such note shall be dated July 31, 1975 and shall mature on or before July 23, 1976.

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 Lorain County Savings & Trust Company, 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 Lorain County Savings & Trust Company, at the par value thereof together with any premium and accrued interest thereon; and the Auditor 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.

Section 6. The City of Oberlin hereby covenants that it will restrict the use of the proceeds of the note in such manner and to such extent, if any, as may be necessary, after taking into account reasonable expectations at the time the debt is incurred, so that it will not constitute arbitrage bonds under Section 103(d) of the Internal Revenue Code and the regulations prescribed under that section. The fiscal officer or any other officer, including the Clerk of Council, having responsibility with respect to the issuance of such note is authorized and directed to give an appropriate certificate on behalf of the City, for inclusion in the transcript of proceedings, setting forth the facts, estimates and circumstances and reasonable expectations regarding the amount and use of the proceeds of such note pursuant to said Section 103(d) and regulations thereunder.

Section 7. Such note shall be the full general obligation of this City and the full faith, credit and revenue of this City 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.

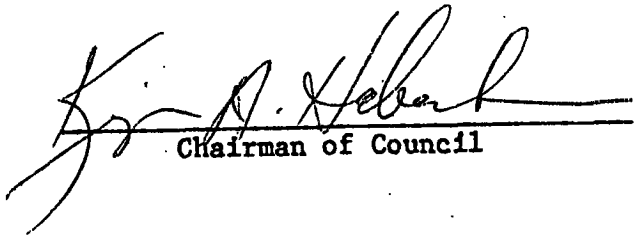
Section 8. That during the years while such note runs there shall be levied on all the taxable property in this City, in addition to all other taxes, a direct tax annually not less than that which would have been levied if bonds had been issued without the prior issue of such note. Said tax shall be 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 bonds in anticipation of which it is issued, when and as the same fall due.

Section 9. 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 City, 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.

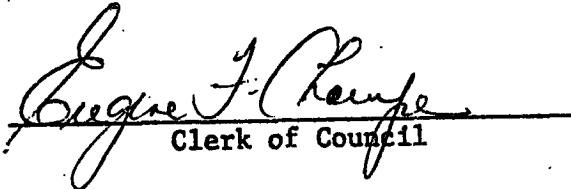
Section 10. The Clerk of this Council is hereby directed to forward a certified copy of this ordinance to the County Auditor.

Section 11. This ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health and safety of this City, and for the further reason that the immediate issuance and sale of the note herein authorized is necessary to provide funds to enable the City to retire its outstanding obligations and thereby preserve its credit; wherefore, this ordinance shall be in full force and effect from and immediately after its passage.

Passed: July 1, 1975


Chairman of Council

Attest:


Clerk of Council

Posted: July 2, 1975