

ORDINANCE NO. 19-2006

Offered by All of Council

AN ORDINANCE AUTHORIZING THE ISSUANCE OF BONDS IN A MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$1,100,000 TO PAY THE COSTS OF CONSTRUCTING ACCESS ROADS, DRIVES, PARKING AREAS, CURBS, AND SIDEWALKS; INSTALLING OUTDOOR LIGHTING; MAKING LANDSCAPE PLANTINGS AND OTHER SITE IMPROVEMENTS; ACQUIRING OUTDOOR FURNITURE AND FURNISHINGS; AND ACQUIRING REAL PROPERTY; ALL IN CONNECTION WITH THE VILLAGE'S MUNICIPAL CENTER; AND DECLARING AN EMERGENCY.

BE IT ORDAINED by the Council of the Village of Richfield, State of Ohio:

Section 1. Findings and Determinations. This Council finds and determines the following matters (capitalized terms are defined in Section 13):

- (a) The Director of Finance has certified to this Council the maximum maturity of the Series 2006 Bonds.
- (b) It is necessary for the Village to issue the Series 2006 Bonds in one lot for the purpose of (1) paying the costs of the Project, and (2) paying Financing Costs of the Series 2006 Bonds.
- (c) All acts and conditions necessary to be performed by the Village or to have been met for the issuance of the Series 2006 Bonds to make them legal, valid, and binding general obligations of the Village have been performed and met, or will have been performed and met, at the time of delivery of the Series 2006 Bonds, as required by law.
- (d) No statutory or constitutional limitation of indebtedness or taxation will be exceeded by the issuance of the Series 2006 Bonds.
- (e) All formal actions of this Council relating to the enactment of this ordinance were taken in an open meeting of this Council, and all deliberations of this Council and of any of its committees that resulted in those formal actions, were in meetings open to the public, in compliance with all legal requirements, including Section 121.22, Revised Code.

Section 2. Terms of the Series 2006 Bonds. The Series 2006 Bonds will have the following terms:

- (a) **Amount.** They will be issued in the maximum original principal amount of \$1,100,000. The principal amounts of the Series 2006 Bonds to be issued as Serial Bonds and as Term Bonds will be determined by the Director of Finance in the Certificate of Award.

- (b) **Date.** The Series 2006 Bonds will be dated March 22, 2006 or any later date, not more than 31 days before the date of delivery and payment for the Series 2006 Bonds, as determined by the Director of Finance in the Certificate of Award.
- (c) **Maturity.** The Series 2006 Bonds will mature or be payable by Mandatory Sinking Fund Redemption in the amounts and on the Principal Payment Dates in the following years:

Year	Amount
2007	\$110,000
2008	110,000
2009	110,000
2010	110,000
2011	110,000
2012	110,000
2013	110,000
2014	110,000
2015	110,000
2016	110,000

The Director of Finance may adjust the principal payment schedule shown above, within the limitations of Section 133.21, Revised Code, by (1) increasing or decreasing the principal amount of the Series 2006 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 2006 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. The Director of Finance must establish the Principal Payment Dates in the Certificate of Award.

- (d) **Redemption Before Stated Maturity.** The Series 2006 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 2006 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 and the Mandatory Redemption Dates will be those in the principal payment schedule in Section 2(c) above, unless otherwise determined in the Certificate of Award.

The Village will have the option to deliver to the Registrar for cancellation Term Bonds in any principal amount. The Village will be entitled to a credit against its obligation to pay Debt Charges by Mandatory Sinking Fund

Redemption on any future Mandatory Redemption Date for Term Bonds that (A) are delivered by the Village 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. The Term Bonds delivered, previously redeemed, or purchased and canceled will be credited on the Mandatory Redemption Date designated by the Director of Finance, for Term Bonds having the same stated maturity date as the Term Bonds delivered, previously redeemed, or purchased and canceled. The credit will be for 100% of the principal amount of the Term Bonds delivered, previously redeemed, or purchased and canceled. The Village must deliver a certificate of the Director of Finance to the Registrar no less than 45 days before the applicable Mandatory Redemption Date, stating the amount of the credit and the Mandatory Redemption Date for which the credit is to be applied.

- (2) Optional Redemption. Unless otherwise determined in the Certificate of Award, the Series 2006 Bonds will be subject to redemption, at the option of the Village, in whole or in part on any date, in integral multiples of \$5,000, 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 2006 Bonds set forth above by (1) changing the redemption prices for the Series 2006 Bonds, which may not exceed 110% in any year in which the Series 2006 Bonds are subject to optional redemption, or (2) establishing a period during which the Series 2006 Bonds will not be subject to optional redemption, which may be any period up to the final maturity of the Series 2006 Bonds. The Director of Finance must set forth any change to the optional redemption provisions in the Certificate of Award.

The Village's option to redeem the Series 2006 Bonds must be exercised by a notice from the Registrar to the holders of Series 2006 Bonds to be redeemed. The notice must state the redemption date and the principal amount of each maturity of Series 2006 Bonds to be redeemed. The Registrar must give the notice no less than 30 days before the redemption date. If any Term Bonds are to be redeemed under this Section 2(d)(2) at a redemption price greater than 100% of the principal amount being redeemed and the redemption date is also a Mandatory Redemption Date for those Term Bonds, the Term Bonds or portions to be redeemed under this Section 2(d)(2) will be selected by lot before the selection by lot of Term Bonds to be redeemed by Mandatory Sinking Fund Redemption.

- (3) Partial Redemption. If fewer than all of the outstanding Series 2006 Bonds are called for optional redemption at one time and Series 2006 Bonds of more than one maturity are then outstanding, the maturities of Series 2006 Bonds to be called will be selected by the Village. If fewer than all of the Series 2006 Bonds of a single maturity are to be redeemed, the selection of Series 2006 Bonds of that maturity to be redeemed, will be made by lot. If the Series 2006 Bonds are then in book-entry form, the selection by lot will be made by the Depository in accordance with its procedures. If the Series 2006 Bonds are not in book-entry form, the selection by lot will be made in the manner determined by the Registrar. In the case of a partial redemption of Series 2006 Bonds by lot when Series 2006 Bonds of denominations greater than \$5,000 are then outstanding, each \$5,000 unit of principal must be treated as if it were a separate Series 2006 Bond of the denomination of \$5,000. If it is determined that one or more, but not all, of the \$5,000 units of principal amount represented by a Series 2006 Bond certificate are to be called for redemption, then, upon notice of redemption of a \$5,000 unit or units, the registered owner of that Series 2006 Bond certificate must surrender the Bond certificate to the Registrar (A) for payment of the redemption price of the \$5,000 unit or units of principal amount called for redemption and (B) for issuance without charge to the registered owner, of new Series 2006 Bonds of any Authorized Denomination in an aggregate principal amount equal to the unmatured and unredeemed portion of, and bearing interest at the same rate and maturing on the same date as, the Series 2006 Bonds surrendered.
- (4) Payment of Redeemed Bonds. The Village will deposit with the Registrar on or before the redemption date, money that, in addition to any other money available for that purpose and held by the Registrar, will be sufficient to redeem at the applicable redemption price, plus interest accrued to the redemption date, all of the Series 2006 Bonds for which notice of redemption has been given. The Series 2006 Bonds called for redemption will become due and payable on the redemption date. Those Series 2006 Bonds will be paid at the redemption price, plus interest accrued to the redemption date, upon presentation and surrender at the place or places specified in the notice of redemption, subject to any agreement entered into by the Village in connection with a book-entry system, as provided in Section 3. If money for the redemption of all of the Series 2006 Bonds to be redeemed, together with interest accrued to the redemption date, is held by the Registrar on the redemption date so as to be available on that date, and if notice of redemption has been deposited in the mail as provided above, then from and after the redemption date those Series 2006 Bonds will cease to bear interest and no longer be outstanding for purposes of the Bond Proceedings. If that money is not available on the redemption date, or that notice has not been deposited in the mail, those Series 2006 Bonds will continue to bear interest until they are paid at the same rate as they would have borne had they not been called for redemption. All money

held by the Registrar for the redemption of particular Series 2006 Bonds must be held in trust for the account of the owners and must be paid to them upon presentation and surrender of those Series 2006 Bonds.

- (e) **Interest Rates.** The Series 2006 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 2006 Bonds, determined by taking into account the principal amounts of the Series 2006 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.

The Series 2006 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 Series 2006 Bonds will be payable on the Interest Payment Dates until the principal amount has been paid or provided for. The Director of Finance must establish the Interest Payment Dates in the Certificate of Award.

The Director of Finance may determine to pay Capitalized Interest on the Series 2006 Bonds from the proceeds of the Series 2006 Bonds. The amount of Capitalized Interest may not exceed interest to become due on Series 2006 Bonds through the Principal Payment Date in 2007, or an earlier date. The Director of Finance must state in the Certificate of Award the amount of any Capitalized Interest and the date to which interest has been capitalized.

- (f) **Form, Numbering, and Denomination.** The Series 2006 Bonds must be issued in fully-registered form. They may be issued book-entry form if the Director of Finance determines in the Certificate of Award that it would be in the best interests of the Village. They must be issued in Authorized Denominations and in numbers requested by the Original Purchaser and approved by the Director of Finance. They must be numbered in a manner to distinguish each Series 2006 Bond from any other bond of the Village. They must express on their faces the purpose for which they are issued and that they are issued in accordance with this ordinance. They will be designated "Municipal Center Improvement Bonds, Series 2006" unless otherwise designated by the Director of Finance in the Certificate of Award.

Section 3. Payment. The Debt Charges on the Series 2006 Bonds will be payable in lawful money of the United States of America on each Interest Payment Date and Principal Payment Date, without deduction for the services of the Registrar as paying agent. Principal and any premium on the Series 2006 Bonds will be payable when due upon presentation and surrender of the Series 2006 Bonds at the office of the Registrar. Interest on the Series 2006 Bonds will be paid on each Interest Payment Date by check or draft mailed to the person in whose name the Series 2006 Bond was registered on the Register at the close of business on the 15th day of the month preceding the Interest Payment Date. Notwithstanding the foregoing, so long as the Series 2006 Bonds are issued in book-entry form in a book-entry system, Debt Charges on the Series 2006 Bonds will be payable as provided in any agreement entered into by the Village in connection with the book-entry system.

Section 4. Signing and Authentication. The Series 2006 Bonds will be signed by the Mayor and the Director of Finance, in the name of the Village and in their official capacities. Either or both of those signatures may be facsimiles.

No Series 2006 Bond will be valid or obligatory for any purpose or will be entitled to any security or benefit under the Bond Proceedings until the certificate of authentication printed on the Series 2006 Bond is signed by the Registrar as authenticating agent. Authentication by the Registrar will be conclusive evidence that the Series 2006 Bond so authenticated has been duly issued, signed, and delivered under, and is entitled to the security and benefit of, the Bond Proceedings.

Section 5. Registration; Transfer and Exchange; Book-Entry System.

- (a) **Register.** So long as the Series 2006 Bonds remain outstanding, the Village must cause the Registrar to maintain the Register. The person in whose name a Series 2006 Bond is registered on the Register will be regarded as the absolute Owner of that Series 2006 Bond for all purposes of the Bond Proceedings, and payment of Debt Charges on that Series 2006 Bond will be made only to or on the order of that person. The Village and the Registrar will not be affected by any notice to the contrary, but the registration may be changed as provided in this Section. All payments of Debt Charges to or on the order of the Owner will discharge the Village's liability on the Series 2006 Bonds, including interest, to the extent of the amount paid.

- (b) **Transfer and Exchange.** A Series 2006 Bond may be exchanged for Series 2006 Bonds of any Authorized Denomination upon presentation and surrender at the office of the Registrar, together with a request for exchange signed by the registered owner or by a personal legally empowered to do so in a form satisfactory to the Registrar. A Series 2006 Bond may be transferred only on the Register upon presentation and surrender of the Series 2006 Bond at the office of the Registrar together with an assignment signed by the registered owner or by a person legally empowered to do so in a form satisfactory to the Registrar. Upon exchange or transfer, the Registrar will complete, authenticate, and deliver new Series 2006 Bonds of any Authorized Denomination requested by the Owner equal to the unmatured principal amount of the Series 2006 Bond surrendered and bearing interest at the same rate and maturing on the same date.

If manual signatures on behalf of the Village are required, the Registrar may transfer a Series 2006 Bond only after the new Series 2006 Bond is signed by the authorized officers of the Village. In all cases of Series 2006 Bonds exchanged or transferred, the Village will sign and the Registrar will authenticate and deliver Series 2006 Bonds in accordance with the provisions of the Bond Proceedings. The exchange or transfer will be without charge to the Owner, except that the Village may make a charge sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to the exchange or transfer. The Village or the Registrar may require that those charges, if any, be paid before the procedure is begun for the exchange or transfer. All Series 2006 Bonds issued and authenticated upon exchange or transfer will be valid obligations of the Village, evidencing the same debt, and entitled to the

same security and benefit under the Bond Proceedings as the Series 2006 Bonds surrendered upon that exchange or transfer. Neither the Village nor the Registrar will be required to make any exchange or transfer of any Series 2006 Bond selected for redemption, in whole or in part.

- (c) **Book-Entry System.** Notwithstanding any other provision in this ordinance, if the Director of Finance determines in the Certificate of Award that it is in the best interest of the Village, the Series 2006 Bonds may be issued in book-entry form in accordance with the following provisions in this Section 5(c).

The Series 2006 Bonds may be issued to a Depository, initially Depository Trust Company, for use in a book-entry system and, if and so long as a book-entry system is used, the following provisions will apply to the Series 2006 Bonds:

- (1) The Series 2006 Bonds may be issued in the form of one fully-registered Series 2006 Bond for each maturity, registered in the name of the Depository or its nominee, as registered owner, and immobilized in the custody of the Depository or its agent.
- (2) The book-entry interest owners of Series 2006 Bonds in book-entry form will not have any right to receive Series 2006 Bonds in the form of physical securities or certificates.
- (3) Ownership of book-entry interests in Series 2006 Bonds in book-entry form will be shown by book-entry on the system maintained and operated by the Depository and its participants, and transfers of the ownership of book-entry interests will be made only by book-entry.
- (4) The Series 2006 Bonds will not be transferable or exchangeable, except for transfer to another Depository or to another nominee of a Depository, without further action by the Village.

If any Depository determines not to continue to act as a Depository for the Series 2006 Bonds for use in a book-entry system or if the Village determines to discontinue its relationship with a Depository, 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 make provision for notification of the book-entry interest owners by the then Depository and any other arrangements necessary for the withdrawal of the Series 2006 Bonds from the book-entry system. The Director of Finance will then permit withdrawal of the Series 2006 Bonds from the Depository, and will cause Series 2006 Bond certificates in registered form to be authenticated by the Registrar and delivered to the assigns of the Depository or its nominee. If the withdrawal from the book-entry system is not the result of Village action or inaction, the authentication and delivery of Series 2006 Bond certificates will be at the cost and expense (including any cost of printing) of those persons requesting that authentication and delivery.

Section 6. Sale of the Series 2006 Bonds. The Series 2006 Bonds will be sold at private sale to the Original Purchaser at a purchase price determined by the Director of Finance in the Certificate of Award. That purchase price must not be less than 97% of the aggregate principal amount of the Series 2006 Bonds, plus any interest accrued on the Series 2006 Bonds from their date to the date of delivery of and payment for the Series 2006 Bonds. The Series 2006 Bonds will be awarded by the Director of Finance, in accordance with law, the provisions of this ordinance, and any Purchase Agreement.

The Director of Finance must state in the Certificate of Award: the original principal amount of the Series 2006 Bonds; the principal amounts to be issued as Serial Bonds and Term Bonds; the purchase price for the Series 2006 Bonds; the first Interest Payment Date; the Interest Payment Dates and the Principal Payment Dates; and any other terms required by this ordinance. The Director of Finance may state in the Certificate of Award any changes in the date of the Series 2006 Bonds; any changes in the principal payment schedule; any changes in the redemption provisions; whether the Series 2006 Bonds will be issued in book-entry form; and any other terms authorized by this ordinance.

The Director of Finance must sign and deliver the Certificate of Award and must cause the Series 2006 Bonds to be prepared, signed, and delivered, together with a true transcript of proceedings of the issuance of the Series 2006 Bonds, to the Original Purchaser upon payment of the purchase price.

The Mayor must sign and deliver, in the name and on behalf of the Village, any Purchase Agreement between the Village and the Original Purchaser providing for the sale of the Series 2006 Bonds to, and the purchase of the Series 2006 Bonds by, the Original Purchaser.

Section 7. Financing Costs. The Village retains the professional services and authorizes the payment of the Financing Costs for the Series 2006 Bonds, as provided in this Section 7.

- (a) **Bond Counsel.** The Village retains the legal services of Buckingham, Doolittle & Burroughs, LLP, as Bond Counsel for the Series 2006 Bonds. The legal services will be in the nature of legal advice and recommendations as to the documents and the proceedings in connection with the issuance and sale of the Series 2006 Bonds and rendering legal opinions upon the delivery of the Series 2006 Bonds. Bond Counsel will render those services to the Village in an attorney-client relationship. Bond Counsel will be paid just and reasonable compensation for those legal services and will be reimbursed for actual out-of-pocket expenses it incurs in rendering those legal services.
- (b) **Original Purchaser.** This Council authorizes and directs the Director of Finance to select the Original Purchaser, either in a negotiated sale or by an invitation for bids, and either as an underwriter or as a purchaser to hold the Series 2006 Bonds for investment purposes. If the Director of Finance selects the Original Purchaser to act as an underwriter of the Series 2006 Bonds, the Village retains the services of the Original Purchaser, as senior manager for the Series 2006 Bonds. The senior manager may designate additional members of the underwriting syndicate. The original purchaser will be paid for services in accordance with any Purchase Agreement.

- (c) **Ratings and Insurance.** If, in the judgment of the Director of Finance, the filing of an application for (1) a rating on the Series 2006 Bonds by one or more nationally-recognized rating agencies, or (2) a policy of municipal bond insurance to better assure the payment of Debt Charges on the Series 2006 Bonds, is in the best interest of and financially advantageous to the Village, this Council authorizes and directs the Director of Finance to prepare and submit those applications and to provide to each of the agencies or insurance companies the information required.
- (d) **Registrar.** The Director of Finance may appoint a bank or a trust company as Registrar for the Series 2006 Bonds. If the Director of Finance does not do so, the Director of Finance will be the Registrar for the Series 2006 Bonds. The Registrar will perform the services as bond registrar, authenticating agent, paying agent, and transfer agent for the Series 2006 Bonds as provided in this ordinance.
- (e) **Limits on Authority of Service Providers.** In rendering the services described above, as independent contractors, those service providers must not exercise any administrative discretion on behalf of the Village in the formulation of public policy, expenditure of public funds, enforcement of laws, rules, and regulations of the Ohio, the Village, or any other political subdivision, or the execution of public trusts.
- (f) **Payment of Financing Costs.** This Council authorizes and approves the expenditure of the amounts necessary to pay those Financing Costs specifically authorized above and all other necessary Financing Costs in connection with the issuance and sale of the Series 2006 Bonds. Those Financing Costs may be paid by the Original Purchaser in accordance with any Purchase Agreement. To the extent they are not paid by the Original Purchaser, this Council authorizes and directs the Director of Finance to provide for the payment of those Financing Costs from the proceeds of the Series 2006 Bonds to the extent available and, otherwise, from any other funds lawfully available and appropriated for the purpose.

Section 8. Deposit and Use of Proceeds. The proceeds from the sale of the Series 2006 Bonds must be deposited and used as provided in this Section 8. This Council appropriates those proceeds for the following purposes and those proceeds must be used for those purposes:

- (a) Any interest accrued or premium received on the sale of the Series 2006 Bonds must be deposited in the Bond Retirement Fund of the Village and used for the payment of interest on the Series 2006 Bonds at their maturity.
- (b) An amount necessary to pay the Financing Costs of the Series 2006 Bonds, to the extent not paid by the Original Purchaser in accordance with any Purchase Agreement and to the extent that the Director of Finance determines to pay those Financing Costs from the proceeds of the Series 2006 Bonds, must be deposited in a separate fund and used for the payment of those Financing Costs.

- (c) The remainder of the proceeds must be deposited in the appropriate funds of the Village and used for payment of costs of the Project.

Section 9. Security and Source of Payment. The Series 2006 Bonds will be general obligations of the Village.

- (a) This Council pledges, to the payment of Debt Charges on the Series 2006 Bonds, the full faith and credit of the Village, including, without limitation:
 - (1) The general taxing power of the Village, including the power to levy taxes within the 10-mill limitation imposed by Section 5705.02, Revised Code.
 - (2) The proceeds to be received from the sale of any bonds issued to refund the Series 2006 Bonds.
 - (3) Any money remaining from the sale of the Series 2006 Bonds and not required for the payment of the costs of the Project.
- (b) The Debt Charges on the Series 2006 Bonds will be paid from any of the amounts set forth above pledged to their payment, or any other funds of the Village otherwise available for their payment.
- (c) During the years while the Series 2006 Bonds are outstanding, there will be levied on all the taxable property in the Village, in addition to all other taxes, a direct tax annually, in an amount sufficient to pay Debt Charges on the Series 2006 Bonds when due. The tax will not be less than the interest and sinking fund tax required by Section 11 of Article XII of the Ohio Constitution. The tax will be and is ordered to be computed, certified, levied, and extended upon the tax list and collected by the same officers, in the same manner, and at the same time that taxes for general purposes for each of those years are computed, certified, levied, extended, and collected. The tax will be placed before and in preference to all other items and for its full amount. The money derived from that tax levy must be placed in the Bond Retirement Fund and is irrevocably pledged for the payment of the Debt Charges on the Series 2006 Bonds when and as those Debt Charges fall due.
- (d) The tax provided in (c) above will be reduced in each year the Series 2006 Bonds are outstanding by the sum of the following items, if available to pay Debt Charges on the Series 2006 Bonds and appropriated for that purpose:
 - (1) Any surplus in the Bond Retirement Fund.
 - (2) Any other money lawfully available to the Village.

Section 10. Federal Tax Matters. The Village covenants that it will take those actions required to maintain the Federal Tax Status of the Series 2006 Bonds and that it will not take or permit

to be taken any actions that would adversely affect that Federal Tax Status. Without limiting these covenants, the Village specifically covenants as follows:

- (a) **Private Activity Bonds.** The Village will apply the proceeds received from the sale of the Series 2006 Bonds to the uses described in Section 8. The Village will not permit the use of the Project by any person, will not secure or derive the money for payment of Debt Charges on the Series 2006 Bonds by any property or payments, and will not loan the proceeds of the Series 2006 Bonds to any person, all in such manner as to cause the Series 2006 Bonds to be "private activity bonds" within the meaning of Code Section 141(a).
- (b) **Arbitrage.** The Village will restrict the use of proceeds of the Series 2006 Bonds in such a manner and to such extent as may be necessary, after taking into account reasonable expectations on date of delivery of and payment for the Series 2006 Bonds, so that the Series 2006 Bonds will not constitute "arbitrage bonds" within the meaning of Code Section 148. This Council authorizes and directs the Director of Finance, or any other official having responsibility for issuing the Series 2006 Bonds, to sign and deliver a certificate of the Village, alone or in conjunction with any other official, employee, or consultant of the Village, for inclusion in the transcript of proceedings for the Series 2006 Bonds. That certificate must set forth the reasonable expectations of the Village on the date of the delivery of and payment for the Series 2006 Bonds, regarding the amount and use of the proceeds of the Series 2006 Bonds, for purposes of Code Section 148 and the regulations prescribed under that Section. If required, the Village will limit the yield on any "investment property" (as defined in Code Section 148(b)(2)) acquired with the proceeds of the Series 2006 Bonds.
- (c) **Arbitrage Rebate.** Unless the gross proceeds of the Series 2006 Bonds are expended in accordance with one of the spending period exceptions set forth in Treas. Reg. §1.148-7, the Village will pay the amounts required by Code Section 148(f)(2) to the United States at the times required by Code Section 148(f)(3). The Village will maintain such books and records and make such calculations and reports as are required to comply with the arbitrage rebate requirements of the Code.
- (d) **Federal Guarantee.** The Village will not permit the use of the Project, or make loans of the proceeds of the Series 2006 Bonds, or invest the proceeds of the Series 2006 Bonds in such manner as to cause the Series 2006 Bonds to be "federally guaranteed" within the meaning of Code Section 149(b).
- (e) **Information Reporting.** This Council authorizes and directs the Mayor, the Director of Finance, or any other official of the Village having responsibility for issuing the Series 2006 Bonds to sign and file with the Internal Revenue Service a Form 8038-G for the Series 2006 Bonds.
- (f) **Bank Qualified.** This Council designates the Series 2006 Bonds as "qualified tax-exempt obligations" for the purposes of Code Section 265(b)(3).

Section 11. Signing and Delivery of Bonds and Documents. This Council authorizes and directs the Mayor and the Director of Finance to sign the Series 2006 Bonds in accordance with Section 4 of this ordinance.

(a) This Council authorizes the Mayor to sign and deliver, on behalf of the Village:

- (1) Any Purchase Agreement.
- (2) Any agreements or letters of representation in connection with a book-entry system for the Series 2006 Bonds.

In the absence of the Mayor, this Council authorizes and directs the Director of Finance to sign and deliver any of those documents.

(b) This Council authorizes and directs the Director of Finance to sign and deliver, on behalf of the Village:

- (1) The Certificate of Award.
- (2) Applications for and agreements in connection with obtaining a policy of municipal bond insurance for the Series 2006 Bonds.
- (3) Applications for and agreements in connection with obtaining a rating for the Series 2006 Bonds.
- (4) In her capacity as fiscal officer of the Village, any certificates in accordance with Section 5705.41, Revised Code, required for any of the agreements in connection with the Series 2006 Bonds.

In the absence of the Director of Finance, this Council authorizes and directs any deputy Director of Finance to sign and deliver any of those agreements and certifications.

(c) This Council authorizes and directs the Mayor, the Director of Finance, and any other Village official to:

- (1) sign and deliver any certificates, instruments, and other documents that the official considers necessary or appropriate in connection with the issuance and sale of the Series 2006 Bonds, and that are not inconsistent with this ordinance; and
- (2) take such actions as are necessary or appropriate to consummate the transactions contemplated by this ordinance.

Section 12. Certification to County Fiscal Officer. This Council directs the Director of Finance to forward a certified copy of this ordinance and a copy of the Certificate of Award to the County Fiscal Officer.

Section 13. Definitions. Words and terms are used in this ordinance with the following meanings:

"Authorized Denominations" means minimum denominations of \$100,000 and any integral multiple of \$5,000 greater than \$100,000.

"Bond Proceedings" means, collectively, this ordinance, the Certificate of Award, and the other proceedings of the Village, including the Series 2006 Bonds, that provide collectively for, among other things, the rights of Owners of the Series 2006 Bonds.

"Capitalized Interest" means interest on the Series 2006 Bonds from their date to a date determined by the Director of Finance, as provided in Section 2(e).

"Certificate of Award" means the certificate authorized by Section 6 of this ordinance, setting forth the terms and other provisions of the Series 2006 Bonds required or authorized by this ordinance.

"Code" means the Internal Revenue Code of 1986, as amended. References to the Code and sections of the Code include applicable regulations (whether temporary or final) under the Code, and any amendments of, or successor provisions to, those sections or regulations.

"Debt Charges" means all amounts due as principal, interest, and any premium on an issue of securities.

"Depository" means any securities depository that is a clearing agency under federal law operating and maintaining a book-entry system to record ownership of book-entry interests in securities or the principal of and interest on securities, and to effect transfers of securities in book-entry form.

"Federal Tax Status" means the status of the interest on the Series 2006 Bonds as excludable from gross income for federal income tax purposes and not treated as an item of tax preference for purposes of the alternative minimum tax.

"Financing Costs" means any financing costs authorized to be paid by Section 133.01(K), Revised Code.

"Interest Payment Date" means each date designated by the Director of Finance in the Certificate of Award, which may be monthly, quarterly, or semi-annually.

"Mandatory Redemption Date" means the Principal Payment Date in each of the years designated in the Certificate of Award as Mandatory Redemption Dates.

“Mandatory Sinking Fund Redemption” means redemption in accordance with the mandatory redemption requirements, if any, for the Series 2006 Bonds as determined in the Certificate of Award and as described in Section 2(d) of this ordinance.

“Original Purchaser” means the entity selected by the Director of Finance under Section 6, as the purchaser of the Series 2006 Bonds.

“Owner” means, as to any Series 2006 Bond, the person in whose name the Series 2006 Bond is registered on the Register.

“Principal Payment Date” means each date designated by the Director of Finance in the Certificate of Award, which may be semi-annual or annual, and in each of the years set forth in the table in Section 2(c) of this ordinance or in the Certificate of Award.

“Project” means constructing access roads, drives, parking areas, curbs, and sidewalks; installing outdoor lighting; making landscape plantings and other site improvements; acquiring outdoor furniture and furnishings; and acquiring real property; all in connection with the Village’s Municipal Center, and all necessary appurtenances thereto.

“Purchase Agreement” means any Purchase Agreement between the Village and the Original Purchaser, entered into in accordance with Section 6 of this ordinance.

“Register” means all books and records necessary for the registration and transfer of the Series 2006 Bonds.

“Registrar” means the bank or the trust company appointed under Section 7 or the Director of Finance as provided under Section 7.

“Serial Bonds” means Series 2006 Bonds designated as Serial Bonds in the Certificate of Award and maturing on the dates set forth in the Certificate of Award, and not subject to Mandatory Sinking Fund Redemption.

“Series 2006 Bonds” means the Village’s general obligation bonds to be issued for the purpose of paying the costs of the Project, as authorized in Section 2 of this ordinance.

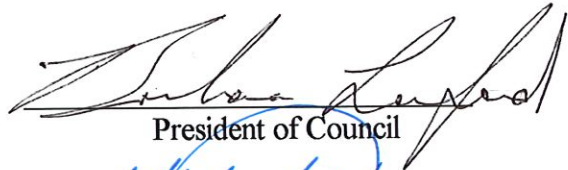
“Term Bonds” means the Series 2006 Bonds designated as Term Bonds in the Certificate of Award and maturing on the dates set forth in the Certificate of Award, and subject to Mandatory Sinking Fund Redemption.

Section 14. Statement of Emergency. This ordinance is declared to be an emergency measure necessary for the immediate preservation of the public peace, health, and safety of the Village, and for the further reason that this ordinance is required to be immediately effective in order to sell the Series 2006 Bonds at the earliest possible time to have money available to award the contracts for the construction of the Project.

3/7/2006 4 p.m.

Section 15. Effective Date. If this ordinance receives the affirmative vote of two-thirds of the members of this Council, it will take effect immediately upon its enactment; otherwise, it will take effect and be in force at the earliest time provided by law.

Passed: 3/21/06


President of Council


Mayor

ATTEST:


Clerk of Council

Dated 3/21/06