



Legislation Details (With Text)

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Title: Ordinance Directing the Finance Director to Prepare a Bond Issuance for Bondable Residential and Neighborhood Commercial Street Projects and Pledging Increased Gasoline and Diesel Tax Revenues in Repayment; and declaring an emergency.

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Attachments: 1. Audio: Agenda Review 8/27/2019, 2. Audio: City Council Meeting 9/3/2019, 3. Audio: City Council 10/1/2019

Date	Ver.	Action By	Action	Result
10/1/2019	1	City Council		
10/1/2019	1	City Council		
10/1/2019	1	City Council		
10/1/2019	1	City Council		
9/3/2019	1	City Council		

Council Members Ujvagi and Delaney

Ordinance Directing the Finance Director to Prepare a Bond Issuance for Bondable Residential and Neighborhood Commercial Street Projects and Pledging Increased Gasoline and Diesel Tax Revenues in Repayment; and declaring an emergency.

SUMMARY & BACKGROUND:

The City of Toledo, Ohio, receives revenue from the state of Ohio derived from the state-imposed tax on gasoline and diesel sales.

City tax revenue earmarked as capital improvement funds are inadequate to meet all the capital needs of the various City departments leaving an inadequate sum of such funds available to meet the paving and street maintenance needs of the City.

The Ohio General Assembly, by passage of the state Transportation budget, increased the rate of tax per gallon of gasoline and diesel fuel sold in Ohio from \$0.28 per gallon to \$0.385 per gallon of gasoline and \$0.47 per gallon of diesel which will result in a significant increase in gas tax revenue to the City of Toledo beginning July 2019.

It has been the intent of this Council to identify additional revenue and to designate such revenue exclusively to the paving and maintenance of streets and roads within the city limits and the passage of the new Transportation budget by the Ohio General Assembly provides an opportunity to accomplish this much needed objective.

It is the intent of this Council to provide for the issuance of Bonds for bondable residential and neighborhood commercial street projects in the City of Toledo with the increase in gasoline and diesel tax revenue pledged in repayment of those bonds.

NOW, THEREFORE, Be it ordained by the Council of the City of Toledo:

SECTION 1. That the Finance Director is hereby directed to prepare a bond issuance up to \$25,000,000 for bondable residential and neighborhood commercial street projects in the City of Toledo, with debt repayment to be made over five years from the increase in gasoline and diesel fuel tax revenue. This funding is to be in addition to regularly budgeted street paving and maintenance expenditures, not in lieu of; and

SECTION 2. That this Council finds and determines that all formal actions of the Council concerning and relating to the adoption of this ordinance were taken in an open meeting of this Council and that all deliberations of this Council that resulted in those formal actions were in meeting open to the public in compliance with the law.

SECTION 3. That this ordinance is declared to be an emergency measure and shall be in force and effect from and after its passage. The reason for the emergency lies in the fact that the same is necessary for the immediate preservation of the public peace, health, safety and property, and for the further reason that immediate action is necessary in order to provide for the paving and maintenance of city streets.

Vote on emergency clause: yeas 12, nays 0.

Adopted: October 1, 2019, as an emergency measure: yeas 12, nays 0.

Attest:

Gerald E. Dendinger
Clerk of Council

Matt Cherry
President of Council